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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

Deborah Howington, James Perry,
Elena Huizar, Lacey Bostick, Modupe
Adesemoye, Marc Popisteanu, Nicole
Carrier, Michael Winn, Edward
McKinley, Wendy Lara Prieto, Luis
Zepeda, Phillip Sterbinsky, and Samuel
Langley.

Plaintiffs,

v.

Taiwan Semiconductor Manufacturing
Co. Ltd., TSMC North America, TSMC
Technology, Inc., TSMC Arizona
Corporation and TSMC Washington,
LLC,

Defendants.

Case No. 5:24-cv-5684

FIRST AMENDED COMPLAINT

FOR EMPLOYMENT
DISCRIMINATION AND HOSTILE
WORK ENVIRONMENT CLAIMS

CLASS ACTION

DEMAND FOR JURY TRIAL

Plaintiffs Deborah Howington, James Perry, Elena Huizar, Lacey Bostick,
Modupe Adesemoye, Marc Popisteanu, Nicole Carrier, Michael Winn, Edward
McKinley, Wendy Lara Prieto, Luis Zepeda, Phillip Sterbinsky, and Samuel Langley
bring this action on behalf of themselves and two classes of similarly situated
individuals to remedy pervasive, ongoing race, national origin, and citizenship

1 discrimination by Taiwan Semiconductor Manufacturing Co. (“TSMC Ltd.”), TSMC
2 North America (“TSMC North America”), TSMC Technology, Inc. (“TSMC
3 Technology”), TSMC Arizona Corporation (“TSMC Arizona”), and TSMC
4 Washington, LLC (“TSMC Washington”) (collectively, “TSMC”) and to redress the
5 negative impact the company’s hostile work environment has on employees who are
6 not of East Asian race or Taiwanese or Chinese national origin. Plaintiffs allege as
7 follows:
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10 **NATURE OF THE ACTION**

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12 1. TSMC is the world’s leading manufacturer of semiconductors, the chips that
13 power everything from smartphones to cars to satellites to weapons systems. TSMC
14 manufactures over 90% of the world’s leading-edge logic chips, supplying well-known
15 customers such as Google, Nvidia, and Apple with the chips used in their technology.
16 TSMC is headquartered in Taiwan, but has subsidiaries in the United States, Canada,
17 Japan, China, South Korea, and Europe. TSMC employs over 76,000 employees
18 worldwide, including 2,668 workers in North America as of December 31, 2023,¹ the
19 vast majority of whom are from Taiwan or China, and many of whom require visas in
20 order to work in the U.S. As discussed below, this grossly disproportionate workforce
21 is the result of TSMC’s intentional pattern and practice of employment discrimination
22 against individuals who are not of East Asian race, not of Taiwanese or Chinese
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28 ¹ Form 20-F at 49 (Dec. 31, 2023), <https://investor.tsmc.com/sites/ir/sec-filings/2023%2020F.pdf>.

1 national origin, and who are not citizens of Taiwan or China, including discrimination
2 in hiring, staffing, promotion, and retention/termination decisions.

3
4 2. In addition, TSMC routinely subjects non-East Asians (including those who are
5 not of Taiwanese or Chinese descent) to a hostile work environment where verbal
6 abuse, gaslighting, isolation, and humiliation is common, and oftentimes leads to the
7 constructive discharge of these employees.
8

9 3. TSMC's employment practices violate the Civil Rights Act of 1866, as
10 amended, 42 U.S.C. § 1981 ("§ 1981") and Title VII of the Civil Rights Act of 1964,
11 as amended, 42 U.S.C. § 2000e, *et seq.* ("Title VII"). Plaintiffs seek, on their own
12 behalf, and on behalf of two classes of similarly situated individuals, declaratory,
13 injunctive, and other equitable relief, compensatory and punitive damages, including
14 pre- and post-judgment interest, attorneys' fees, and costs to redress TSMC's pervasive
15 pattern and practice of discrimination and hostile work environment.
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18 **PARTIES**

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20 4. Plaintiff Deborah Howington was born in the United States, is of American
21 national origin and ancestry, and is Caucasian. She currently resides in California. Ms.
22 Howington has exhausted her Title VII administrative remedies by filing a Charge of
23 Discrimination with the Equal Employment Opportunity Commission ("EEOC")
24 against TSMC North America, and receiving a Notice of Right to Sue.²
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27 ² Plaintiffs intend to timely file EEOC Charges on behalf of Plaintiffs Elena Huizar, Nicole Carrier,
28 Michael Winn, Wendy Prieto, Luis Zepeda, Phillip Sterbinsky, and Samuel Langley and to amend

1 5. Plaintiff James Perry was born in the United States, is of American national
2 origin and ancestry, and is Caucasian. He currently resides in Florida.

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4 6. Plaintiff Elena Huizar was born in the United States, is of Mexican national
5 origin, and is Caucasian. She currently resides in Arizona.

6
7 7. Plaintiff Lacey Bostick was born in the United States, is of American national
8 origin and ancestry, and is Caucasian. He currently resides in Missouri.

9 8. Plaintiff Modupe Adesemoye was born in Nigeria, is of Nigerian national origin
10 and citizenship, and is African American. She currently resides in California.

11
12 9. Plaintiff Marc Popisteanu is a naturalized U.S. citizen of European ancestry and
13 is Caucasian. He currently resides in Arizona.

14 10. Plaintiff Nicole Carrier was born in the United States, is of American national
15 origin and ancestry, and is Caucasian. She currently resides in Arizona.

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17 11. Plaintiff Michael Winn was born in the United States, and is of Korean national
18 origin and ancestry. He currently resides in California.

19
20 12. Plaintiff Edward McKinley was born in the United States, and is of African
21 American race and American national origin. He currently resides in Texas.

22
23 13. Plaintiff Wendy Lara Prieto was born in the United States, is of Hispanic/Latino
24 race and of American national origin. She currently resides in Arizona.

25 14. Plaintiff Luis Zepeda was born in Mexico and is of Hispanic race and Mexican
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27 _____
28 the complaint to add their Title VII claims upon receipt of their Notices of Right to Sue.

1 national origin. He is a citizen of the United States and Mexico and currently resides
2 in Arizona.

3
4 15. Plaintiff Phillip Sterbinsky was born in the United States, is of American
5 national ancestry and origin, and is Caucasian. He currently resides in Arizona.

6
7 16. Plaintiff Samuel Langley was born in the United States, is of American national
8 ancestry and origin, and is Caucasian. He currently resides in Texas.

9
10 17. Taiwan Semiconductor Manufacturing Co., Ltd. is a Taiwanese company, and
11 is located at No. 8, Li Hsin Road VI, Hsinchu Science Park, Hsinchu 300-78, Taiwan,
12 R.O.C. It is the parent corporation of Defendants TSMC North America, TSMC
13 Technology, TSMC Arizona, and TSMC Washington.

14
15 18. TSMC North America is a California corporation with its principal place of
16 business at 2851 Junction Avenue, San Jose, California 95134. TSMC North America
17 provides primarily sales, technical support, business operations, and customer service
18 support in North America for its ultimate parent, Taiwan Semiconductor
19 Manufacturing Co., Ltd.
20

21
22 19. TSMC Technology is a Delaware corporation, with its principal place of
23 business at 2851 Junction Avenue, San Jose, California 95134. TSMC Technology
24 provides primarily technology support at customer sites and research and development
25 support in North America for its ultimate parent, Taiwan Semiconductor
26 Manufacturing Co., Ltd.
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28 20. TSMC Arizona is an Arizona corporation, with its principal place of business

1 at 5088 W. Innovation Circle, Phoenix, AZ 85083. TSMC Arizona provides
2 semiconductor manufacturing support to its ultimate parent, Taiwan Semiconductor
3 Manufacturing Co., Ltd.
4

5 21. TSMC Washington is a Delaware corporation. Its principal place of business is
6 at 5509 N.W. Parker Street, Camas, Washington 98607. TSMC Washington provides
7 semiconductor manufacturing support to its ultimate parent, Taiwan Semiconductor
8 Manufacturing Co., Ltd.
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10 **JURISDICTION**

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12 22. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331, 42
13 U.S.C. § 1981(a), and 42 U.S.C. § 2000e-5(f).
14

15 23. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(a) as
16 the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest
17 and costs, and is between a citizen of a state and a foreign corporation.
18

19 24. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d) as
20 this matter is a class action with an amount in controversy of greater than \$5 million,
21 exclusive of interest and costs, and involves at least one class member who is a citizen
22 of a state and is brought against a foreign corporation.
23

24 25. This Court has personal jurisdiction over TSMC because each Defendant
25 engages in continuous and systematic business contacts within the State of California.
26 Further, Defendants TSMC North America and TSMC Technology, subsidiaries of
27 Taiwan Semiconductor Manufacturing Co., Ltd., maintain a substantial physical
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1 presence in the State, with their headquarters located in San Jose, California.

2 VENUE

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4 26. Venue is proper in the Northern District of California pursuant to 28 U.S.C. §
5 1391(b)-(c) and 42 U.S.C. § 2000e-5(f)(3) because TSMC resides in this District,
6 conducts business in this District, engaged in discriminatory conduct in this District,
7 and maintains and administers in this District employment records relevant to TSMC's
8 pattern and practice of discrimination. Additionally, TSMC engages in continuous and
9 systematic business contacts within this District, and maintains a substantial physical
10 presence in this District, including TSMC North America and TSMC Technology's
11 operation of offices in San Jose, California (their U.S. headquarters).
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14 DIVISIONAL ASSIGNMENT

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16 27. Assignment in this Division is proper pursuant to Civil L.R. 3-2(c) and (e)
17 because a substantial part of the events giving rise to this matter's claims occurred in
18 this Division given that Plaintiff Howington is employed by TSMC North America in
19 San Jose, California. In addition, Plaintiff Winn worked for TSMC North America and
20 TSMC Technology at its office in San Jose, California and applied to, but was denied,
21 two roles with TSMC North America in San Jose.
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24 STATEMENT OF FACTS

25 *Overview of TSMC's Business Model*

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27 28. Taiwan Semiconductor Manufacturing Co., Ltd. ("TSMC Ltd.") is a
28 manufacturer and supplier of semiconductors (or microchips), a key component of a

1 vast array of electronic devices. Unlike other major microchip manufacturers, TSMC
2 Ltd. does not produce its own products—rather, it works with customers like Google
3 and Apple to design and manufacture microchips for use in their products. This
4 business has been enormously profitable for TSMC Ltd., generating a net revenue of
5 over \$66 billion in 2023. While TSMC Ltd. is a Taiwanese company and its operations
6 are centered in Taiwan, the majority (68%) of TSMC Ltd.’s customers are
7 headquartered in North America.³ As such, TSMC Ltd. has also established a strong
8 presence in the United States, including through the operation of its subsidiaries,
9 TSMC North America and TSMC Technology, both of which are headquartered in San
10 Jose, California, proximate to many of TSMC’s key Silicon Valley-based customers.
11 Those two entities employ approximately 600 individuals in the United States—mostly
12 in San Jose, CA, but also in Austin, TX, San Diego, CA, Boston, MA, and Washington,
13 D.C.—and focus primarily on research and development (“R&D”) and sales, which
14 entail working closely with customers to create and innovate chips to be manufactured
15 at TSMC’s facilities. TSMC North America is also the employment entity for TSMC’s
16 Human Resource (“HR”) function that supports both TSMC North America and TSMC
17 Technology in the U.S. and Canada.
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24 29. TSMC Ltd. also maintains a factory for semiconductor device fabrication (or
25 “fab”) in Washington State (under the TSMC Washington employment entity) and has
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28 ³ Form 20-F at 15 (Dec. 31, 2023), <https://investor.tsmc.com/sites/ir/sec-filings/2023%2020F.pdf>.

1 plans to build three fabs in Phoenix, AZ (under the TSMC Arizona employment entity).
2 Construction on the first Arizona fab began in 2021 and commercial production is
3 targeted in 2025. In December 2022, TSMC Ltd. announced plans for the second fab,
4 which is currently under construction. And TSMC Ltd. just recently announced plans
5 for its third fab in Phoenix, Arizona in April 2024.⁴ TSMC's plans for the latter two
6 fabs were announced after the Biden administration passed the CHIPS and Science Act
7 (the "CHIPS Act"), which designated \$53 billion to boost semiconductor
8 manufacturing in the U.S. Those applying for CHIPS Act funding committed to
9 "guarantee[ing] all workers access to a safe environment that is free of harassment,
10 discrimination, and retaliation,"⁵ and were required to submit a plan "demonstrat[ing]
11 appropriate investments and commitments to recruit, train, hire, retain, and upskill a
12 skilled and diverse workforce."⁶

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17 30. TSMC submitted a diversity plan in applying for CHIPS Act funding and, in
18 return, was awarded \$6.6 billion in direct funding under the Act to support TSMC's
19 Arizona facilities.⁷ TSMC's investment in Phoenix will create about 6,000 direct
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23 ⁴ *Id.* at 22.

24 ⁵ CHIPS for America Fact Sheet, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (Feb. 28,
25 2023), <https://shorturl.at/30u0N>

26 ⁶ Workforce Development Planning Guide, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY
(Mar. 27, 2023), <https://shorturl.at/nHfxo>

27 ⁷ TSMC Arizona and U.S. Department of Commerce Announce up to US\$6.6 Billion in Proposed
28 CHIPS Act Direct Funding, the Company Plans Third Leading-Edge Fab in Phoenix, TSMC (Apr.
8, 2024), <https://shorturl.at/INvtI>.

1 manufacturing jobs and more than 20,000 construction jobs.⁸ As of December 31,
2 2023, TSMC employed 2,668 employees in North America, the vast majority of whom
3 work in the U.S., with plans to drastically increase that number in the coming years as
4 it completes construction on its Arizona fabs.
5

6 *TSMC's Discriminatory Scheme and Hostile Work Environment*
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8 31. TSMC Ltd. and its subsidiaries have willfully disregarded diversity
9 commitments TSMC made in the CHIPS Act application for which TSMC received
10 \$6.6 billion in government funding. And while TSMC claims that it “believes strongly
11 in the value of a diverse workforce,”⁹ its leaders have made clear that the company has
12 a cultural preference for Taiwanese (and Chinese) employees. As Morris Chang
13 (TSMC’s former CEO who remains the company’s public face) stated in a 2021 talk,
14 “[c]omputers of different brands can often be hooked together, but not people of
15 different culture.” He also stated that, “[t]he fact that TSMC’s top-flight executives can
16 deliver top results in Taiwan is no guarantee of similar performance when they are
17 posted overseas.” Despite these reservations, TSMC Ltd. was motivated to grow its
18 U.S. presence due to its proximity to TSMC’s customers and the U.S. government’s
19 willingness to provide billions in funding. However, in growing its U.S. workforce,
20 TSMC prefers to employ people of East Asian race and Taiwanese or Chinese national
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26 ⁸ TSMC Will Receive \$6.6 Billion to Bolster U.S. Chip Manufacturing, NEW YORK TIMES (Apr. 8,
27 2024), <https://shorturl.at/dDJsR>.

28 ⁹ Diversity and Inclusion at TSMC, TSMC (Sept. 16, 2019), <https://shorturl.at/Y05ub>.

1 origin, including by bringing workers over from Taiwan and China on visas rather than
2 hiring locally. This preference is reflected in every aspect of TSMC's U.S.-based
3 business—in sales, R&D, engineering/manufacturing, and even in HR and
4 administrative support roles. For instance, in 2023, 80% of employees hired to TSMC
5 North America and TSMC Technology (which primarily do R&D and sales) in the
6 U.S. self-identified as Asian. Similarly, approximately half of the hires to TSMC
7 Arizona that are slated to work at the Phoenix fabs have been deployed on visas from
8 Taiwan.¹⁰

11
12 32. TSMC's discriminatory scheme originates with the parent corporation, Taiwan
13 Ltd., and permeates throughout TSMC Ltd.'s U.S. subsidiaries, TSMC North America,
14 TSMC Technology, TSMC Arizona, and TSMC Washington. TSMC Ltd. is comprised
15 almost exclusively of Taiwanese nationals who encourage—and expect—the U.S.-
16 based subsidiaries to obey TSMC's discriminatory policies and practices without
17 pushback, despite the fact that these policies and practices violate U.S. law. As a result,
18 TSMC's U.S. subsidiaries have systematically engaged in a pattern or practice of
19 discrimination in favor of East Asians, who trace their national origin to Taiwan and
20 China, and citizens of those countries, and have created a hostile work environment for
21 those who are not within those preferred groups. The U.S. subsidiaries also engage in
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27 ¹⁰ Viola Zhou, TSMC's debacle in the American desert, REST OF WORLD (Apr. 23, 2024),
28 <https://restofworld.org/2024/tsmc-arizona-expansion/>.

1 uniform policies and practices, originating from TSMC Ltd., that result in a disparate
2 impact on non-East Asians and non-Taiwanese and non-Chinese nationals.

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4 33. TSMC effectuates its preference for East Asians and Taiwanese and Chinese
5 nationals (including citizens of those countries) in at least three ways.

6
7 34. First, East Asians and Taiwanese and Chinese nationals (including citizens of
8 these countries) are preferred in hiring. In many instances, the HR team from TSMC
9 Ltd. in Taiwan sends HR in the U.S. the resumes of Taiwanese/Chinese candidates in
10 the United States that typically already have the ability to work in the U.S., who they
11 have already vetted and found suitable for hire. The U.S. HR team then simply hires
12 these Taiwanese/Chinese candidates without question, even if no open roles have been
13 posted in the U.S. In the rare instances when TSMC posts the job roles that these
14 candidates ultimately fill, the jobs are posted for only a very short period of time, and
15 candidates who apply are typically not reviewed or interviewed. The job postings are
16 then summarily closed and the preferred Taiwanese/Chinese candidates referred by
17 TSMC Ltd. in Taiwan are hired. Hiring managers at TSMC America, TSMC
18 Technology, TSMC Arizona, and TSMC Washington prefer to interview and hire
19 Taiwanese and Chinese candidates, including those candidates who speak Mandarin,
20 despite there being no foreign language requirement for the job openings in the U.S.
21 Candidates are specifically asked to provide their national origin when applying to the
22 company so that TSMC's recruiters and hiring managers can advance only members
23 of its preferred groups in the hiring process.
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1 35. Recruiters in the U.S. have also been explicitly instructed by the Taiwan
2 Headquarters (“Taiwan HQ”) Global Recruitment Program Leaders that the goal for
3 recruiting new graduates from U.S. universities is to hire primarily Taiwanese and
4 Chinese candidates, and to target only universities known to have higher populations
5 of Taiwanese and Chinese students. Invitations to TSMC job fairs, per the instruction
6 of Taiwan HQ, are in Chinese so as to only attract students of TSMC’s preferred race
7 and national origin. As a result of these practices, interview and hiring reports
8 document a clear preference for Taiwanese/Chinese U.S. new graduate candidates and
9 hires.
10 hires.

13 36. When U.S. roles are posted as available, TSMC North America, TSMC
14 Arizona, TSMC Technology, and/or TSMC Washington add to the job posting that
15 “Mandarin / Chinese” is either required, preferred, or “a plus.” There is no legitimate
16 business reason why such a requirement would be necessary—TSMC conducts
17 business in English and requires proficiency in English not only for U.S. employees,
18 but also for employees at Taiwan HQ and other countries in which TSMC operates. As
19 such, a TSMC employee in the U.S. do not need proficiency in Mandarin / Chinese,
20 even if communicating with colleagues abroad. Rather, the language requirement is
21 used to attract TSMC’s preferred candidates (Taiwanese and Chinese citizens) and to
22 dissuade non-East Asian, non-Taiwanese, and non-Chinese candidates from applying
23 to roles. When non-East Asia, non-Taiwanese, and/or non-Chinese candidates do
24 secure an interview, the hiring managers, most of whom are East Asian, often make
25 hires.

1 excuses to reject them to effectuate TSMC's cultural preference for East Asian
2 employees and employees of Taiwanese or Chinese national origin. The above
3 practices allow TSMC to effectuate its preference for candidates that are East Asian,
4 Taiwanese, and/or Chinese (including those on visas) without explicitly stating it and
5 belie TSMC's claims that it hires East Asians, Taiwanese citizens, and/or Chinese
6 citizens due to a lack of U.S. talent in the semiconductor industry.
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9 37. Moreover, TSMC's bias towards East Asians and Taiwanese and Chinese
10 citizens extends beyond HR, recruitment, and hiring. The company similarly
11 discriminates in engineering and lower-end technician jobs, such as jobs inspecting,
12 maintaining, and cleaning equipment. With respect to engineering and technician jobs,
13 TSMC reportedly requires minimal experience or qualifications from applicants in
14 Taiwan for jobs in the U.S.¹¹ Conversely, TSMC requires many U.S. hires to train in
15 Taiwan for six months to a year (or longer) for these positions, a requirement that was
16 designed to further TSMC's goal of culling the pool of non-East Asian and non-
17 Taiwanese/Chinese prospective employees. During the training period in Taiwan, U.S.
18 employees are routinely excluded by their Taiwanese colleagues, who oftentimes speak
19 exclusively in Mandarin in their presences, are denigrated by management, and are
20 subjected to a hostile work environment.
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27 ¹¹ Mark Tyson, TSMC's Arizona Fab Hiring Woes Prompt Calls for Willing Taiwanese Migrants,
28 TOM'S HARDWARE (Apr. 21, 2022), <https://www.tomshardware.com/news/tsmc-arizona-taiwanese-workers>.

1 38. TSMC’s bias in favor of East Asians, Taiwanese, and Chinese citizens was even
2 apparent when it was hiring construction workers to build its first Arizona fab (via
3 TSMC affiliates United Integrated Services (“UIS”) and Marketch International
4 Corp.). TSMC chairman Mark Liu complained of “an insufficient amount of skilled
5 workers” to build the facility and planned to fly workers in from Taiwan.¹² TSMC
6 agreed to focus on local hiring for those positions only after a massive and public
7 outcry from Arizona labor unions.¹³ While TSMC’s affiliates hired some U.S. workers
8 for those construction roles, TSMC has subjected those workers to horrifying work
9 conditions at a work site plagued with safety and environmental concerns and a general
10 disregard for human life and safety. This unsafe environment is partially a result of
11 TSMC Arizona having systematically replaced U.S. hires with responsibilities related
12 to U.S. regulations (including Occupational Safety and Health Administration
13 (“OSHA”) standards) with visa workers from China or Taiwan who have minimal
14 work experience and no knowledge of those regulations. One construction worker
15 reported anonymously that when he/she started working at the site, all workers went
16 through a safety training program, but out in the field, that worker never saw the people
17 who ran the program, or its safety protocols enforced.¹⁴ Other complaints included too
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25 ¹² Taiwan Semiconductor Manufacturing (TSM) Q2 2023 Earnings Call Transcript, THE MOTLEY
26 FOOL (July 20, 2023), <https://shorturl.at/1HDzl>.

27 ¹³ See n. 9, *supra*.

28 ¹⁴ Michael Sainato, ‘They would not listen to us:’ inside Arizona’s troubled chip plant,’ The Guardian (Aug. 28, 2023), <https://shorturl.at/9YXkg>

1 few and improperly cleaned or stocked portable toilets, likely resulting in workers
2 falling ill, and the anonymous worker reported that instead of calling 911 for safety
3 emergencies, workers were instructed to call TSMC Arizona's safety hotline, which
4 took a long time to respond to requests for medical services. *Id.* Complaints by
5 employees of TSMC Arizona to the company's internal legal department about safety
6 violations (including violations that resulted in serious injury and death) have gone
7 ignored. Taiwanese construction managers also subject non-East Asian and non-
8 Taiwanese/Chinese workers to a hostile work environment in which they are constantly
9 berated and expected to work long hours without pay, resulting in low morale for this
10 classification of worker. When American construction workers—who are unionized—
11 pushed back on the long, unpaid hours, the message from Taiwanese management was
12 “Are all union workers this slow?”

17 39. Second, employees not in the preferred groups are frequently denied
18 opportunities to advance and succeed at TSMC's U.S. subsidiaries. They are frequently
19 excluded from business discussions, as conversations are often conducted in Mandarin,
20 and business documents are routinely written in Chinese. A related practice was
21 acknowledged in the Q3 2023 U.S. HR Quarterly All-Hands meeting by Jen Kung,
22 Head of Compensation, who casually commented on the use of “Chenglish” when East
23 Asians wanted to limit information being shared with non-East Asians and/or to try to
24 confuse them. Even though the entire US HR team was present (including the Head of
25 HR, Judy Chiu), and there was widespread agreement that “Chenglish” was commonly
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1 used in the organization, TSMC took no action to correct the practice.

2 40. In engineering positions, non-East Asians and non-Taiwanese/Chinese citizens
3 are denied training opportunities that would allow them to thrive. For instance, in the
4 2021 time frame forward, TSMC Arizona required U.S. hires to its fab to train in
5 Taiwan for up to 18 months, where they were, according to reports, excluded from
6 “higher-level meetings conducted in Mandarin” and “rarely had a chance to handle
7 problems themselves, and were mostly tasked with observing.”¹⁵ Back at the fab in
8 Arizona, it was reported that “managers trusted Taiwanese workers with important
9 tasks, starving the Americans of hands-on experience.”¹⁶ For instance, a Process
10 Integration Engineer in Arizona stated that “an employee may be hired as an engineer
11 [by TSMC,] but only taught technician-level jobs unless they are Taiwanese.” An
12 employee at TSMC’s Washington fab complained that upper management “tends to
13 play favorites with Taiwanese workers,” “favoring and assisting Taiwanese
14 engineers.” Americans training for engineering positions in Taiwan reported of a
15 meeting at which “a manager said Americans were less desirable than Taiwanese and
16 Indian workers, according to people who saw leaked notes, which [were] circulated
17 among trainees.”¹⁷

18 41. Employees have also complained that TSMC Ltd. and its U.S. subsidiaries seem
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24 ¹⁵ *See id.*

25 ¹⁶ *See id.*

26 ¹⁷ *See id.*

1 to encourage animosity between Taiwanese and U.S. employees, and have spoken of
2 memorandums from higher management having surfaced that contained disparaging
3 remarks about U.S. employees, who “are constantly seen as sub par.” Employees assert
4 that TSMC has fostered a culture in which “Senior American leaders within the
5 company are apprehensive about voicing concerns due to potential job repercussions
6 from executives based in Taiwan.”
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9 42. Non-East Asian employees and non-Taiwanese/Chinese citizens are also
10 reviewed more harshly than their East Asian colleagues (including those who are
11 Taiwanese and Chinese citizens), which inhibits their advancement in the company.
12 Employees at TSMC North American, TSMC Technology, TSMC Arizona, and
13 TSMC Washington are evaluated by their managers, and the available rankings are:
14 Outstanding (O), High Satisfactory (S+), Satisfactory (S), and Needs Improvement (I).
15
16 East Asian employees and Taiwanese and Chinese citizens are consistently ranked
17 higher than those not in the preferred groups. At TSMC, a rating of S or below has
18 significant implications, as rating is a factor in calculating an employee’s Annual
19 Bonus payout (with higher bonuses being paid to those with ratings of S+ and O), and
20 employees who receive ratings of S or below are less likely to be promoted (and receive
21 lower bonuses) and more likely to be forced to leave the company (or are eventually
22 terminated). For example, in 2023, Taiwanese “assignees”—visa workers from
23 Taiwan—were particularly favored in ratings at TSMC North American and did not
24 receive ratings of less than S in the 2023 review cycle, even if they performed poorly.
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1 In addition, these workers received their expected bonuses regardless of their
2 performance ratings, and, if they were identified to be failing, were simply transferred
3 to another role or another TSMC location. It is understood that East Asian employees
4 (particularly Taiwanese and Chinese assignees/citizens) receive an extra boost in every
5 aspect of their employment at TSMC, including in job assignments, performance
6 ratings, and bonus payouts.
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9 43. Third, non-East Asian employees and non-Taiwanese/Chinese citizens are
10 either terminated or constructively discharged at much higher rates than their East
11 Asian counterparts (including those of Taiwanese and Chinese citizenship), and are
12 frequently replaced with East Asian employees, including assignees from Taiwan and
13 China. For example, since 2022, TSMC Arizona and TSMC North America have
14 removed the majority of non-East Asian managers and leaders hired by the subsidiaries
15 and replaced them with East Asian employees, maintaining non-East Asians in
16 management roles primarily only in a select number of customer- or public-facing
17 positions. In addition, despite its promise to focus on local, U.S. hiring, approximately
18 half of TSMC Arizona's 2,200 U.S. workforce is comprised of assignees from
19 Taiwan.¹⁸ TSMC's anti-American culture, practice of denying training and
20 advancement opportunities to non-East Asian employees and non-Taiwanese/Chinese
21 citizens, and practice of reviewing non-East Asians more harshly contribute to the
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27 ¹⁸ Jennifer Read. TSMC Arizona Struggles to Overcome Vast Differences Between Taiwanese and
28 US Work Culture, EMS NOW (Aug. 19, 2024), <https://shorturl.at/tCHBq>

1 higher termination rates for non-East Asian employees. TSMC Ltd. and its subsidiaries
2 also create a hostile work environment for non-South Asian, non-Taiwanese, and non-
3 Chinese employees that causes them to resign at higher rates (these resignations
4 constitute acts of constructive discharge by TSMC). For instance, a Process Integration
5 Engineer in Arizona stated that “the company has recently begun to bully some
6 employees into resigning due to poor performance without proper training” and that
7 “[t]hose who quit are often replaced by Taiwanese locals.”
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10 44. TSMC also routinely subjects non-East Asian, non-Taiwanese, and non-
11 Chinese employees to a hostile work environment where American workers are
12 constantly yelled at and referred to as “stupid” or “lazy.” Non-East Asian, non-
13 Taiwanese, and non-Chinese workers are also excluded from meetings or business-
14 related conversations (which are often conducted in Mandarin). They are similarly
15 denied trainings, as training materials are in written in Chinese, and critical information
16 needed for work is withheld by Taiwanese management, which stymies American
17 employees’ ability to advance within TSMC. At TSMC, it is common for American
18 workers’ strong performances to be downplayed or discredited, and Americans are
19 reviewed more harshly by TSMC, resulting in lower appraisal scores, and fewer
20 promotions or opportunities for advancement. It is also common for American workers
21 to be talked to in a condescending manner by management, for their opinions to be
22 discredited, and for them to be publicly humiliated in front of coworkers. Employees
23 who are not East Asian, Taiwanese, or Chinese are micromanaged by Taiwanese
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1 management and many have their job responsibilities stripped away. As a result of
2 TSMC's hostile work environment, many non-East Asian employees are forced to take
3 protected leave under the Family Medical Leave Act ("FMLA") due to the incredible
4 stress and anxiety caused by TSMC's conduct, and oftentimes are forced to resign from
5 the company (i.e., they are constructively discharged).
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8 45. In addition, TSMC Ltd. and its subsidiaries engage in employment practices
9 that result in a disparate impact on non-East Asian and non-Taiwanese/Chinese
10 applicants and employees alike. Specifically, TSMC maintains a program whereby
11 employees are able to refer their friends and family members for employment with the
12 company, and those referrals are then preferred in hiring decisions. Because a large
13 percentage of TSMC's workforce is Taiwanese and Chinese, a disproportionate
14 number of referrals—and ultimately hires—are of East Asian race and Taiwanese or
15 Chinese national origin.
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18 46. In addition, TSMC maintains work assignment practices that favor visa
19 employees (referred to as assignees) in U.S. roles. Visas are expensive, costing
20 thousands of dollars for each work permit. Because TSMC wants to ensure that all
21 visas it applies for and receives are used, visa employees are preferentially staffed into
22 U.S. roles, so that TSMC obtains the maximum return on its investment. As a result,
23 U.S. roles overwhelmingly are assigned to visa workers, and visa workers are often
24 used to replace local hires (including local hires in management roles). While these
25 assignment practices are race and national origin neutral, because the vast majority of
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1 employees for whom TSMC secures a visa are Taiwanese (as that is where the parent
2 company, TSMC Ltd., and majority of TSMC's workforce is located), these practices
3 result in the disproportionate staffing of East Asians and Taiwanese citizens in U.S.
4 roles, to the detriment of non-East Asians and non-Taiwanese workers.
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6 47. Further, TSMC's U.S. subsidiaries often include Chinese / Mandarin language
7 requirements in job postings, despite the fact that fluency in English is a requirement
8 for employment at TSMC (including TSMC Inc.) and business is supposed to be
9 conducted by the company in English. When recruiting college graduates for U.S.
10 roles, sends invitations for career fairs in Chinese. These language "requirements,"
11 while not expressing any preference for a certain race or national origin, dissuade non-
12 East Asians and non-Taiwanese/Chinese applicants and employees from applying to
13 job roles, and result East Asian candidates being hired at disproportionate rates as they
14 more often meet this language requirement.
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18 48. Finally, TSMC maintains an appraisal process whereby visa workers (i.e.,
19 assignees) are given more favorable ratings than non-visa employees. This is done to
20 ensure that visa employees remain in the U.S. and maximize their time on their visas,
21 given that visas are a costly expenditure for TSMC. As a result, visa employees, who
22 are predominantly Taiwanese nationals, ultimately receive higher appraisal scores than
23 non-Taiwanese workers, and therefore are promoted at higher rates and receive higher
24 annual bonuses.
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Ms. Howington's Experience

49. Deborah Howington is a Talent Acquisition Leader who has spent her career working in Human Resources. She specializes in all aspects of recruitment and is committed to diversity and inclusion. Prior to joining TSMC North America, Ms. Howington served as Global Talent Acquisition Leader at Western Union, a Director-level role. There, she was responsible for enterprise-wide design and execution of hiring for global Fintech skills, diversity, employer branding, university recruiting, and vendor management (among other job responsibilities).

50. Ms. Howington began her employment with TSMC on February 13, 2023 as Deputy Director, Talent Acquisition. Ms. Howington is employed by TSMC North America (in San Jose, California) and supported hiring at three TSMC entities: TSMC North America, TSMC Technology, and TSMC Canada.

51. At the time of her hire in February 2023, Ms. Howington reported to the Head of HR, Teresa Harnois, who is Caucasian, but within a few months, Ms. Harnois told Ms. Howington that she had been “squeezed out of her role” and was soon replaced by Judy Chiu, who was born in China and identifies as Taiwanese. Following Ms. Harnois’ replacement in September 2023, Ms. Howington was the only non-East Asian U.S. member of the HR Leadership Team. And only 4 of 17 employees on the U.S. HR team were non-East Asian during Ms. Howington’s employment with TSMC.

52. Ms. Howington’s role involved developing and executing hiring programs, strategies, and processes for the 3 entities that she supported in the U.S. and Canada.

1 Ms. Howington initially excelled at her position under the management of Ms. Harnois,
2 working collaboratively with others in U.S. and Global Talent Acquisition. She was
3 requested to spearhead and participate in U.S. and global projects, aimed at, among
4 other things, improving TSMC's employer reputation among prospective global
5 candidates and increasing diversity hiring. Within the first 6 months of her tenure, Ms.
6 Howington's performance was so strong that Ms. Harnois added Ms. Howington to the
7 succession plan for the role of Head of HR. But afterwards, Ms. Harnois noted that she
8 had received a "strong negative reaction and pushback" from members of the almost
9 entirely East Asian local HR team, and that Ms. Harnois had been forced to "go
10 around" local HR to add Ms. Howington's name to the succession list that was
11 provided to Taiwan HQ. Ms. Howington also created and led an initiative to improve
12 the company's employer brand which became a \$250,000+ 10-person global project,
13 and was nominated by Taiwan HQ for the role of TSMC North America Functional
14 Expert and Employer Brand Lead for the U.S. In addition, while not directly
15 responsible for the TSMC Arizona manufacturing site, she created and presented to
16 members of Taiwan HQ HR and the local Arizona Head of HR, a U.S. Military Veteran
17 hiring initiative to help them meet the CHIPS Act diversity hiring goals. Ms.
18 Howington received glowing feedback, including in her 90-day probation period
19 review, in the form of verbal and written accolades from her previous manager (whom
20 Ms. Chiu replaced), and in written feedback from co-workers, peers, and managers that
21 Ms. Howington proactively requested in order to ensure continuous improvement. She
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1 was praised as “strategically minded” with “[e]xcellent communication and
2 presentation skills.”

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4 53. Ms. Howington learned from Anne Hu, Head of Executive Recruitment, that it
5 is common practice at TSMC for HR manager and other high-level HR
6 jobs/assignments not to be posted for internal or external job interest, and that selection
7 for HR assignments and advancements are frequently determined by the Taiwan HQ
8 HR leadership team behind closed doors.

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10 54. Over time, Ms. Howington became very concerned about practices she
11 witnessed at TSMC that appeared heavily skewed in favor of East Asians and
12 Taiwanese citizens. For instance, when Ms. Harnois was removed from her role as
13 Head of HR, Ms. Howington was assigned by the Hiring Manager, TSMC North
14 America President David Keller, to schedule interviews for the three finalists to replace
15 Ms. Harnois in the role. All three finalists were East Asian and had been referred to
16 TSMC by an Asian headhunter who was engaged to confidentially recruit for this role.
17 Ms. Howington also routinely witnessed and raised concerns that well-qualified, non-
18 East Asian candidates (including non-Taiwanese citizens) were being routinely
19 overlooked and/or ignored by hiring managers without proper justification. Often,
20 global presentations and documents were provided by Taiwan HQ written in Chinese,
21 despite proficiency in English being a requirement to work at TSMC. On one occasion,
22 in December 2023, Judy Chiu held a meeting that included Ms. Howington, and East
23 Asian members of the Business and HR team of which a significant portion was
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1 conducted in Mandarin, including the provision of important HR-related information,
2 despite Ms. Chiu knowing that Ms. Howington was the only person at the meeting who
3 could not understand and participate. Afterwards, Ms. Howington told Ms. Chiu that
4 she felt uncomfortable and excluded, but Ms. Chiu dismissed her concerns, stating that
5 she was just trying to make the other participants in the meeting feel comfortable.
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8 55. In addition, Ms. Howington witnessed discrimination at TSMC with respect to
9 jobs that require Export Controls, for which additional steps are required for candidates
10 who are considered “finalists” and who are from D1¹⁹ or E1²⁰ countries. While
11 TSMC’s Export Control policy states that candidates can be asked to provide their
12 nationality only once they are a “finalist” for an Export Control job, hiring managers
13 at TSMC would often ask for nationality information in advance of determining the
14 finalists for a role, and would historically reject or “ghost” candidates from a D1 or E1
15 countries, resulting in discrimination against employees from those countries (while
16 the People’s Republic of China is a D1 country, managers and leaders valued the
17 candidate’s ability speak Mandarin, typically resulting in positive hiring decisions for
18 those candidates). When Ms. Howington reported this practice to TSMC North
19 America’s legal team, including to Senior Director Steven Schulman and Manager
20 Chun-Lan Lim, Ms. Lim was dismissive of Ms. Howington’s concerns and Ms.
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26 ¹⁹ This includes, among other countries, Albania, Armenia, Azerbaijan, Belarus, Cambodia, Cuba,
27 Georgia, Iraq, Kazakhstan, Kyrgyzstan, Laos, Macau, Moldova, Mongolia, North Korea, Russia,
Tajikistan, Turkmenistan, Ukraine, Uzbekistan, Vietnam, and the People’s Republic of China.

28 ²⁰ This includes, among other countries, Cuba, Iran, North Korea, Sudan, and Syria.

1 Howington's request that Export Control training be provided for the hiring managers.
2 When Ms. Howington pressed further for the training, Ms. Lim agreed to "look into it"
3 with Taiwan HQ. Ms. Howington ultimately learned that while the training was given,
4 it was provided only to Mr. Shulman, and not to TSMC's hiring managers.
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6 56. In August 2023, Ms. Howington and her three recruiters were approached by
7 Nick Tsai, Director of Technology. Mr. Tsai requested that Ms. Howington and her
8 team not interview any D1 candidates at the request of a major TSMC customer. Ms.
9 Howington and her team were instructed to identify two finalists for each role servicing
10 this customer, so that if one finalist was identified as being from a D1 country, they
11 could simply drop him or her from consideration. When Ms. Howington expressed
12 concern to Mr. Tsai and the Head of Human Resources, Teresa Harnois, regarding
13 this instruction, Ms. Harnois shared that Mr. Schulman had approached her, and asked
14 that all communications regarding export control be kept off email, as such
15 communications could be discoverable. Mr. Schulman also instructed one of the
16 recruiters, Jess Liu, to not provide D1 candidates updates with respect to their
17 candidacy, in the hopes that they would look for other jobs instead of waiting for a
18 response from TSMC. TSMC Ltd. is currently under investigation for concerns over
19 U.S. export control violations.²¹
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27 ²¹ See Huawei's Latest AI Processors Allegedly Produced by TSMC, Raising Questions About U.S.
28 Export Controls, IC & PCB UNION NEWS AND TECHNOLOGY (Oct. 24, 2024),
<https://shorturl.at/nK2vN>.

1 57. In February 2024, Ms. Howington received an email from an HR Manager in
2 Taiwan HQ stating that making offers to East Asian candidates for U.S. positions
3 should be done by “someone familiar with Asian culture in order to handle offer
4 communication.” That guidance was similar to what Ms. Howington had been told on
5 multiple occasions by Jen Kung, who told Ms. Howington that she (Ms. Kung) “should
6 make offers to U.S. candidates who are Asian so they can understand better in
7 Chinese.”
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10 58. In addition to complaining to Ms. Chiu about the use of Mandarin during
11 meetings where Ms. Howington was in attendance, Ms. Howington raised concerns
12 about TSMC’s preference for hiring East Asians (including Taiwanese citizens) and
13 rejection of non-East Asian candidates on multiple occasions to both of her
14 managers—initially to Ms. Harnois, and later to Ms. Chiu. Additionally, in December
15 2023, Ms. Howington raised concerns to Ms. Chiu about the circumstances under
16 which TSMC hired an East Asian candidate in the U.S.—specifically that the
17 candidate had been hired despite failing the technical interview and was given a higher
18 rate of pay than nearly all others in the same job grade. (The details related to this
19 candidate’s hire were discussed at the meeting conducted in Mandarin described
20 above (*see* ¶ 54, *supra*) such that Ms. Howington had been unable to participate in the
21 discussion.) Ms. Chiu shut down Ms. Howington’s complaints, reminding Ms.
22 Howington that TSMC leaders valued “execution” to remain at TSMC and when
23 considering promotions, which Ms. Howington perceived as a threat of retaliation for
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1 voicing a complaint.

2 59. In January 2024, Ms. Howington submitted a formal whistleblower complaint
3 on TSMC's internal employee website, voicing concerns that the East Asian hire
4 potentially violated discrimination laws (as well as provisions of the TSMC Employee
5 Handbook) and that Ms. Chiu had seemingly threatened retaliation in her handling of
6 Ms. Howington's initial complaint. Two weeks later, Ms. Howington had a brief
7 meeting regarding the whistleblower complaint with the Director of Legal, Steven
8 Schulman, but he refused to provide any information about whether there would be an
9 investigation. Ms. Howington received no further written or verbal follow-up
10 thereafter from anyone at TSMC, in violation of TSMC's internal policies and
11 procedures for investigating whistleblower complaints.
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16 60. TSMC's internal policies also prohibit "retaliat[ion] against any employee in
17 the terms and conditions of ongoing employment" for complaining about potential
18 legal violations. But shortly after complaining about discrimination against non-East
19 Asians (including non-Taiwanese citizens) in hiring and treatment, and submitting her
20 whistleblower complaint, Ms. Howington began to experience just that. Specifically,
21 despite having received no complaints from TSMC regarding her performance or
22 otherwise, in February 2024, Ms. Howington received a lower-than-expected
23 Performance Review Rating of "S" (Satisfactory) by Ms. Chiu, for work Ms.
24 Howington performed during 2023. Ms. Chiu refused to provide any details in writing
25 for this lesser performance rating, and when Ms. Howington requested examples and
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1 specific details substantiating the rating, Ms. Chiu not only refused to provide them but
2 responded by telling Ms. Howington that she would now either be placed on a
3 Performance Improvement Plan (“PIP”) or face other HR Intervention due to her
4 “poor” performance (even though the performance rating, while unjustly low, was still
5 an “S” (Satisfactory), not an “I” rating which indicates “needs improvement”). Ms.
6 Howington was shocked by this reaction from Ms. Chiu, as none of Ms. Chiu’s prior
7 communications had included any of her purported concerns about Ms. Howington’s
8 performance (verbally or in writing), and Ms. Chiu’s new critiques of Ms. Howington’s
9 performance were mostly vague and generalized. Following this performance review
10 discussion, Ms. Howington realized that at least 50%—2 of the 4—non-East Asian
11 members on the HR Leadership team in the U.S. received ‘S’ (Satisfactory) ratings in
12 February 2024 for their performance in 2023.

17 61. After Ms. Chiu shared this unjustifiably low Performance Review Rating with
18 Ms. Howington, Ms. Chiu began badmouthing Ms. Howington’s performance to
19 colleagues and peers publicly, insinuating that Ms. Howington appeared “confused,”
20 and making other disparaging comments during leadership meetings regarding Ms.
21 Howington’s capabilities when Ms. Howington asked for clarification or additional
22 information. By comparison, when East Asian HR team members asked for
23 clarification or additional information during leadership meetings, Ms. Chiu answered
24 them without hesitation or comment.

28 62. Shortly thereafter, Ms. Chiu and other team members began withholding

1 resources and support from Ms. Howington. For instance, Ms. Chiu refused Ms.
2 Howington's request to add temporary staff after Ms. Howington lost 50% of her team
3 in January 2024 and experienced a significant and extended increase in workload,
4 while making baseless accusations that Ms. Howington was lying to Ms. Chiu about
5 the need for support.
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8 63. Ms. Howington complained about Ms. Chiu's treatment to Ms. Chiu's direct
9 manager, TSMC North America President David Keller, and her dotted line manager,
10 Lora Ho, the Global Head of HR in Taiwan HQ, but both individuals dismissed Ms.
11 Howington's concerns and directed her back to Ms. Chiu. Ms. Howington later learned
12 that it is common at TSMC to withhold resources and support from employees that the
13 company wants to get rid of, with the goal of creating a workplace environment so
14 severely burdened that the incumbent will decide to leave. Ms. Howington was made
15 aware of multiple instances of this occurrence at TSMC North America and TSMC
16 Arizona.
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20 64. Ms. Chiu was similarly critical with other non-East Asian HR employees, but
21 was never critical about the East Asian HR team members. For instance, Ms. Chiu told
22 the HR Leadership Team ("HRLT") in a leadership meeting that the HR Program
23 Manager, Kathryn Agarpao, who is not Asian, was "making mistakes, was not doing a
24 good job, [and] needed help." Ms. Chiu said the same of a non-East Asian recruiter
25 Nick Barroga-Trumbo, who directly reported to Ms. Howington. Specifically, Ms.
26 Chiu told Ms. Howington that in preparing Mr. Barroga-Trumbo's performance rating,
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1 Ms. Howington should weigh feedback from the HRLT that he was “making mistakes,
2 not doing a good job, [and] needed help,” but Ms. Chiu also refused to provide
3 examples of the alleged mistakes complained of by the HRLT. These examples are
4 characteristic of the environment at TSMC, in which non-East Asian employees and
5 non-Taiwanese/Chinese citizens are subjected to a stricter level of scrutiny than
6 similarly situated East Asian employees (including Taiwanese citizens).
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9 65. In April 2024, Ms. Howington became so distressed by the openly hostile and
10 discriminatory work environment at TSMC that her health began to suffer, and she
11 requested FMLA leave. Upon her return from FMLA leave to the company in May
12 2024, she was told by Ms. Chiu that her responsibilities would be significantly curtailed
13 and her role had seemingly been minimized. Ms. Chiu informed Ms. Howington that
14 Ms. Howington’s direct reports would no longer be reporting to her and repeatedly
15 referred to Ms. Howington’s role as the “TA Lead”—which would be a demotion from
16 the title of Deputy Director—but refused to answer when Ms. Howington asked
17 whether her role had changed. Ms. Chiu also provided a number of directives to Ms.
18 Howington, such as a requirement that Ms. Howington copy Ms. Chiu on all
19 communications she had with members of her team and provide Ms. Chiu written
20 summaries of what Ms. Howington discussed during team meetings. Ms. Chiu read
21 these directives from her computer screen, indicating that she was maintaining, in
22 writing, a list of new expectations for Ms. Howington, but refused to provide Ms.
23 Howington with the written list when Ms. Howington requested it. During this
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1 discussion, Ms. Howington repeatedly asked if she was being put on a PIP, but Ms.
2 Chiu consistently ignored her questions and simply stated that, as the Head of HR, she
3 was making the decision to implement these new directives. Following this meeting,
4 Ms. Howington did not feel capable of continuing to work in such a hostile
5 environment and informed TSMC on June 5, 2024 that she had retained counsel and
6 would no longer be coming into the office. Ms. Howington remains on leave to-date.
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9 *Mr. Perry's Experience*

10 66. James Perry is a Chief Human Resources Business Partner who specializes in
11 learning, organizational development and organizational design, talent management
12 and change and transformation. He holds a Bachelor of Science in Business
13 Administration and a Master of Science in Industrial and Organizational Psychology.
14 Mr. Perry has over twenty years of HR experience in global high tech and oil and gas
15 companies, has served as a subject matter expert at translating business needs into
16 talent management and organizational performance solutions, and has extensive
17 experience leading global organization and people transformations that drive revenue
18 growth, employee satisfaction, and positively impact business results.
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22 67. Mr. Perry worked as the Head of Learning and Organization Development and
23 Culture for TSMC Arizona from July 2022 to August 2023. He was recruited to the
24 company by Scott Hollman, the Chief Human Resources Officer (“CHRO”) for TSMC,
25 who has since resigned from the company. Mr. Perry was hired by TSMC Arizona just
26 as the company was starting to grow in the United States.
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1 68. As part of his onboarding, Mr. Perry spent three months in Taiwan, undergoing
2 mandatory training so that he understood TSMC's "business model." During that time,
3 it became readily apparent that TSMC's "business model" was to work employees into
4 the ground, to not respect employees' opinions or contributions, and for employees to
5 follow any command issued by leadership, irrespective of whether it was safe or
6 ethical.
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9 69. When Mr. Perry returned to the United States, he began working at a temporary
10 office in Phoenix, but later moved into TSMC's new office building in the same city.
11 The new office building had all glass windows and overlooked the fab construction
12 site. The construction site itself was plagued with safety and environmental concerns,
13 and there was a general disregard by TSMC for construction workers' lives (who were
14 predominantly non-East Asian, non-Taiwanese, and non-Chinese). Mr. Perry himself,
15 who has a background in environmental health and safety and worked for Intel on
16 construction-related jobs, had several conversations with Greg Jackson, the
17 Construction Facilities Manager, concerning the dangerous fab construction site.
18 During those conversations, Mr. Jackson informed Mr. Perry that the Taiwanese
19 construction manager he reported to would constantly berate the non-Taiwanese
20 construction workers, and that morale among this group was low as a result.
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25 70. As the Head of Learning and Organization Development and Culture for TSMC
26 Arizona, Mr. Perry was responsible for coaching the senior staff and leadership team
27 to help integrate two diverse cultures—that of the Taiwanese staff who had traveled to
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1 the U.S. for work, and that of the American staff who had been hired locally in the U.S.
2 However, Mr. Perry's role was quickly diminished by TSMC. He was expected not to
3 voice his opinion or challenge members of Taiwanese leadership, and any attempts to
4 train Taiwanese U.S.-based leaders on U.S. culture were futile.

6 71. Mr. Perry would conduct workshops with the Taiwanese managers as part of
7 his role. The subject of one such workshop was the current culture at TSMC and the
8 culture the company wanted in the future, which was attended by approximately 150
9 employees. At that workshop, Taiwanese leadership expressed a desire for a militant
10 and authoritative culture where employees obey commands without question and offer
11 no pushback. One female, a frontline manager at the meeting who is Taiwanese, began
12 crying and stated: "I'm so embarrassed; Americans are lazy, they don't work hard
13 enough, they don't know enough, and they don't know commitment."

17 72. These discriminatory comments towards Americans were common at TSMC
18 Arizona. During Mr. Perry's employment, he heard Americans being called "lazy" and
19 "not hard working" by members of management (who were predominantly Taiwanese
20 and Chinese). And employees who refused to consistently work twelve-hour days were
21 considered poor performers.

24 73. While TSMC Arizona hired a number of non-Taiwanese and non-Chinese
25 workers while Mr. Perry was employed by the company as part of its efforts to expand
26 TSCM's presence in the U.S., the company quickly replaced all U.S. managers with
27 individuals of Taiwanese descent. In fact, during Mr. Perry's tenure, approximately
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1 10-15 Americans who had been hired to work in Human Resources for TSMC Arizona
2 left the company due to discrimination and TSMC's hostile work environment. Mr.
3 Perry personally witnessed a number of these female employees leaving meetings in
4 tears, having been berated and denigrated by Taiwanese management. TSMC's
5 preference for East Asians and those of Taiwanese or Chinese national origin is
6 reflected in the demographics of the company's managers and executive leadership. In
7 one of the offsite meetings led by Mr. Perry, all 160 front-line managers in attendance
8 were of Taiwanese national origin, and TSMC's executive leadership team is
9 exclusively made up of those of Taiwanese or Chinese descent.
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13 74. Mr. Perry resigned from TSMC Arizona in August 2023, unable to further
14 tolerate the hostile work environment and TSMC's refusal to accept American culture
15 and legal norms. Mr. Perry filed a written complaint with TSMC's HR department
16 during his exit interview, specifically noting that his resignation was being compelled
17 by the discriminatory and hostile treatment from manufacturing leaders, and
18 specifically naming Ted Chiang, Senior Director of HR (who is Chinese) as an
19 individual who had expressed negative and hostile behavior towards Mr. Perry and
20 other non-Taiwanese and non-Chinese members of HR.
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24 75. On information and belief, TSMC Arizona has since retaliated against Mr. Perry
25 following his constructive discharge. Mr. Perry joined Oracle after leaving TSMC, and
26 within the first six months of his employment, he was notified by Oracle's legal
27 department that it had received an anonymous complaint about him from someone at
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1 TSMC. The complaint was ultimately investigated and unsubstantiated by Oracle, but
2 it put Mr. Perry's employment with the company at risk.

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4 *Ms. Huizar's Experience*

5 76. Elena Huizar is a Human Resources Business Partner with over fifteen years of
6 relevant experience. She holds a Bachelor's Degree in Communications from Arizona
7 State University. Ms. Huizar has spent her career in HR, and is skilled in recruitment,
8 hiring, and onboarding, talent management, diversity and inclusion, and project
9 management. Before joining TSMC Arizona, Ms. Huizar spent three years as an
10 Executive Assistant and HR Business Partner for Onsemi, a semiconductor
11 manufacturing company in Phoenix, Arizona.
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14 77. Ms. Huizar joined TSMC Arizona in November 2021 where she worked as an
15 HR Project Manager for approximately 2.5 years. Ms. Huizar was responsible for
16 overseeing two employee experience programs, TSMC Arizona's canteen (cafeteria
17 project) and its wellness center (medical clinic), and ensuring that employees were
18 taken care of with respect to their meals and offering medical care in the Wellness
19 Center. She reported to Naiyu "Clair" Hsu, who is Taiwanese. Ms. Hsu had no prior
20 HR experience and was assigned to Ms. Huizar's team only because the Arizona fab
21 was not yet up and running, and she had no actual work to do in the fab.
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25 78. When Ms. Huizar joined TSMC Arizona, her HR team was comprised of about
26 10 members (three of whom were from Taiwan), and TSMC Arizona was
27 approximately 80% American and 20% Taiwanese. It was understood that the
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1 company was going to integrate with U.S. culture and strive to become a diverse, U.S.
2 company, aligning to operate separately from TSMC's corporate headquarters in
3 Taiwan. However, after Ms. Huizar had been with TSMC Arizona for approximately
4 1.5 years, there was a complete switch in the company's business model and attempts
5 to localize. TSMC sent a number of employees from Taiwan to the U.S. and every time
6 a non-Taiwanese worker left the company (either on their own volition or via
7 constructive discharge by TSMC Arizona), a Taiwanese national replaced them. Many
8 of these Taiwanese nationals were on visas. TSMC Arizona also leaned heavily on
9 hiring employees' family members, resulting in a spike in the percentage of East Asian,
10 Mandarin speaking employees in the United States. As TSMC Arizona increased its
11 Taiwanese, Mandarin speaking workforce, it abandoned its efforts to integrate with
12 U.S. culture and began operating in close alignment to TSMC's corporate headquarters
13 in Taiwan—which was known for being oppressive and dictatorial. TSMC Arizona
14 was approximately 80% Taiwanese when Ms. Huizar left the company in March 2024.

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20 79. While at TSMC, Ms. Huizar witnessed first-hand the discrimination faced by
21 non-Taiwanese employees. The Wellness Center, for instance, was designed by Banner
22 Health, which provided concierge-like medical information and services for assignees
23 from Taiwan—e.g., immunizations, children's school physicals, information on where
24 to deliver a baby, etc. U.S. employees, many of whom had moved to Arizona from
25 other states for work, were not provided with the same medical assistance, and mobile
26 healthcare checkups—where Banner Health medical vans traveled to apartment
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1 complexes where Taiwanese TSMC employees lived to provide services—were
2 offered only to Taiwanese employees. When Ms. Huizar asked why American workers
3 were being excluded from these medical services, she was specifically told by Victor
4 Yang (who is Taiwanese and at the time worked in HR) that such services were “just
5 for the Taiwanese.”
6

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8 80. When Ms. Hsu and Ted Chiang sought to hire a manager for the Wellness
9 Center and posted a job opening, Yiting Hsieh, a Taiwanese doctor from Los Angeles
10 was hired for the role, rather than a local Arizona candidate. This individual was trained
11 in Taiwan, and was not licensed to practice medicine in the United States. Ms. Huizar
12 was told that Ms. Hsieh was hired because the Taiwanese employees at TSMC could
13 understand her. Ms. Huizar was excluded from the interview panel, which was
14 comprised of Ms. Hsu and Chia “Carrie” Yin Tao (who had been at TSMC Arizona for
15 just two months at the time of the interview).
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19 81. In addition to seeing members of the Human Resources team replaced by
20 Taiwanese workers, Ms. Huizar also saw this same practice followed with information
21 technology (“IT”) workers. At TSMC, it was understood that in order to advance in IT,
22 employees needed to speak and understand Mandarin, despite the fact that there is no
23 Mandarin language requirement at TSMC and business was supposed to be conducted
24 in English.
25

26
27 82. Discriminatory comments were also the norm at TSMC Arizona. Americans
28 were called “babies” because, unlike Taiwanese workers, they objected to being yelled

1 at and did not simply acquiesce to management's verbal abuse.

2 83. Ms. Huizar was also personally impacted by TSMC's discrimination. She was
3 publicly chastised for minor mistakes by her Taiwanese manager, while her East Asian
4 colleagues' errors went unmentioned. If Ms. Huizar voiced an opinion different than
5 that of her manager in a meeting, Ms. Hsu would immediately start speaking in
6 Mandarin to exclude Ms. Huizar from the business conversation. Ms. Huizar was also
7 excluded from meetings simply because she was not Taiwanese. Her manager, Ms.
8 Hsu, would hold meetings with vendors and not include Ms. Huizar, and then would
9 task Ms. Tao (a Taiwanese colleague who sat in the cubicle in front of Ms. Huizar)
10 with relaying information from the meeting to Ms. Huizar. On one occasion, Ms.
11 Huizar tripped on some flooring at work and fractured her ankle. She immediately
12 sought medical attention and notified her then-manager Sean Lai. Mr. Lai dismissed
13 the incident, and berated Ms. Huizar for missing a conference call with Taiwan HQ
14 during the time she was receiving medical treatment. And each time Ms. Huizar voiced
15 concerns regarding the disparate treatment of non-Taiwanese employees, her
16 complaints were ignored.

17 84. Taiwan HQ was aware of the harsh treatment to which American employees
18 were subjected, and in mid to-late 2023, Lynette Ng, Senior Director of Global Human
19 Resources, traveled to Arizona from Taiwan HQ to meet with the HR team. At that
20 meeting, she apologized for the treatment that the HR team had received from TSMC's
21 Taiwanese management. While the HR team hoped that there would be a change in
22

1 TSMC's culture and management's behavior following that meeting, no such changes
2 took place. And in the months following that meeting, the number of Taiwanese
3 employees hired to replace American workers increased.
4

5 85. By 2024, Ms. Huizar was working 60 hours per week for TSMC Arizona. Yet
6 no matter how hard she worked and how much she contributed to the company, she
7 was still not accepted, and was still treated with hostility by her manager.
8

9 86. Ultimately, Ms. Huizar was forced to resign from TSMC Arizona on March 3,
10 2024 due to the company's discriminatory treatment. Prior to her departure, Ms. Huizar
11 had a conversation with Ted Chiang, Senior Director of Human Resources (who is
12 from Taiwan), in which she complained of unfair treatment and asked why every time
13 an American left the company, a Taiwanese national was put in the employee's place.
14 Mr. Chiang responded that it was because TSMC "is an Asian company." At the time
15 Ms. Huizar left TSMC Arizona, there were only two non-Taiwanese employees on her
16 HR team, Ashley Renage and Nate Burt, and approximately 75% of the HR department
17 was comprised of Taiwanese nationals. As of November 4, 2024, only Ashlee Ramage
18 remains from Ms. Huizar's original team.
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22 *Mr. Bostick's Experience*
23

24 87. Lacey Bostick is a Global Security, Compliance, and Firewall Service Delivery
25 Manager with a long career working in governance, risk, compliance, and audit
26 positions. He holds a Master's Degree in Telecommunications Engineering from the
27 University of Colorado at Boulder, and spent 43 years of his career working at IBM
28

1 with many different cultures and companies. For instance, Mr. Bostick worked in the
2 United Kingdom for 3 years, in Australia for 9 months, and in Holland for 2 years. He
3 also worked with employees across Europe, Asia, Africa, and North and South
4 America (both face-to-face and remotely), and managed employees across the globe.
5

6 88. TSMC Arizona recruited Mr. Bostick to work for the company on two
7 occasions given his strong background in risk, compliance, and security. Mr. Bostick
8 at first declined the job offer from TSMC, but ultimately accepted a role with TSMC
9 Arizona in November 2022, based upon TSMC's promise that Mr. Bostick's hours
10 would remain reasonable (no more than 55 hours per week) and that, when Mr. Bostick
11 needed, he could take time off and start working remotely to care for his elderly mother.
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14 89. Mr. Bostick served as TSMC Arizona's Enterprise Governance, Risk, and
15 Compliance Manager from November 2022 to June 2023. This was a high-level job
16 role, just two levels below the Global CFO who worked for Taiwan HQ. Mr. Bostick
17 reported to Tricia Chu, Treasurer of TSMC Arizona who is Chinese. Ms. Chu reported
18 directly to the Global CFO in Taiwan.
19
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21 90. When Mr. Bostick joined the company in November, his manager, Ms. Chu,
22 refused to meet with him, stating she was "too busy," and telling Mr. Bostick to simply
23 "figure it out" when he asked what was required of his job role. After Mr. Bostick
24 returned from three weeks of training in Taiwan in January 2023, Ms. Chu informed
25 Mr. Bostick that she had hired a TSMC employee from Taiwan to work as a contractor
26 with Mr. Bostick to create the Arizona Compliance Plan for TSMC Arizona. Ms. Chu
27
28

1 never gave Mr. Bostick any directive or instruction as to what was expected of him,
2 yet often berated him for not meeting her unarticulated expectations. Ms. Chu's lack
3 of support continued throughout Mr. Bostick's short tenure with TSMC Arizona.
4

5 91. Mr. Bostick was tasked with implementing a compliance plan that included
6 physical security, IT security, meeting environmental safety and health guidelines, and
7 construction. However, TSMC Arizona's IT security was moved to Taiwan HQ in the
8 first quarter of fiscal year 2023, and Taiwan HQ refused to provide Mr. Bostick with
9 necessary information to develop and implement an Arizona Compliance Plan. Taiwan
10 HQ refused to share business information with anyone outside of HQ, and Mr. Bostick
11 was kept in the dark, despite leading this endeavor. In TSMC's eyes, Mr. Bostick was
12 of no consequence because he was not Taiwanese or Chinese. Upon Mr. Bostick's
13 resignation in June 2023, Ms. Chu had C.W. "Kris" Hsu, a Taiwanese employee from
14 Operations (on assignment in Arizona) who spoke Mandarin, replace Mr. Bostick in
15 his role.
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20 92. While with the company, Mr. Bostick was constantly subjected to a hostile
21 work environment by Ms. Chu. Ms. Chu would berate Mr. Bostick in their daily
22 meeting, telling him he was "stupid," and that his "plans [we]re wrong," and "not the
23 TSMC way." Every afternoon, Ms. Chu would yell and scream at Mr. Bostick at their
24 daily meeting, verbal abuse that was audible to the entire office, given the open floor
25 plan. When Mr. Bostick refused to respond to Ms. Chu's hostility, remaining calm
26 during the meetings, Ms. Chu would escalate her beratement, telling Mr. Bostick "I
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28

1 just hate you. You sit there and you never fight back.”

2 93. In addition, Ms. Chu constantly insulted Mr. Bostick in front of his colleagues
3 and peers, telling them not to be like Mr. Bostick. At the department Christmas
4 luncheon in 2022, which Mr. Bostick attended with about twenty of his peers, Ms. Chu
5 publicly humiliated him, telling the group “Don’t be like Lacey.” Ms. Chiu made
6 similar, public comments at the monthly department meetings, informing TSMC
7 employees “Don’t be like Lacey or I’ll micromanage you.”
8

9 94. Scott Hollman, TSMC’s CHRO in the U.S., was well aware of Mr. Bostick’s
10 poor treatment and daily beratement by Ms. Chu. Not only did he overhear Ms. Chu
11 screaming at Mr. Bostick during their daily meetings (as his office was located next to
12 Ms. Chu’s), Mr. Bostick would also keep Mr. Hollman apprised of Ms. Chu’s treatment
13 of him when they grabbed coffee in the morning. No action, however, was taken to
14 redress Ms. Chu’s hostile treatment.
15

16 95. When Mr. Bostick joined TSMC Arizona, he understood that TSMC was
17 endeavoring to be a global company, and to grow its local footprint. But TSMC
18 reneged on its commitment to diversity, sending approximately 2,000 assignees from
19 Taiwan during Mr. Bostick’s tenure to work in the U.S. While TSMC informed the
20 State of Arizona that the assignees (who were on visas) were being brought over to
21 train local, U.S. hires, and would return home after training, additional assignees were
22 brought to the U.S. to replace American workers who resigned and/or were
23 constructively discharged at high rates due to TSMC’s hostile work environment. Late
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1 in the second quarter of 2023, TSMC also began shipping mid-level managers and
2 junior directors to the United States, who were also used to displace local managers
3 and directors.
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5 96. Prior to resigning from the company, Mr. Bostick was forced to work fifteen
6 hours (or more) each day, Monday through Friday, and when he sought to take time
7 off to care for his mother, he was told “TSMC pays you enough to pay someone else
8 to take care of her.”
9

10 97. Mr. Bostick resigned from TSMC Arizona in June 2023 due to the company’s
11 hostile work environment, Ms. Chu’s constant beratement, and the fact that he was
12 discriminated against simply because he was not a member of TSMC’s favored groups.
13 Mr. Bostick’s resignation constitutes a constructive discharge.
14
15

16 *Ms. Adesemoye’s Experience*

17 98. Modupe Adesemoye is a Touch/Display Quality Engineer who specializes in
18 semiconductor fabrication processes and application and properties of materials used
19 in the semiconductor industry. She holds a Bachelor of Science degree in Electrical
20 and Computer Engineering and a Master’s of Science degree in Electrical Engineering
21 from Texas A&M University. Ms. Adesemoye has held a number of engineering
22 positions since graduating college in 2017 and is highly skilled in data analytics,
23 research, and development.
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26 99. Ms. Adesemoye worked for TSMC Arizona from March 2021 to June 2022 as
27 a Process Integration Engineer, and was a member of the company’s integration team.
28

1 Shortly after joining TSMC, Ms. Adesemoye traveled to Taiwan in April 2021 for
2 compulsory training. She was one of the first batches of new hires in the U.S. to travel
3 to Taiwan, and the training was scheduled to last 1.5 years (until October 2022).
4

5 100. In Taiwan, Ms. Adesemoye served as the lead engineer for her group,
6 given her educational background and prior engineering experience. There were five
7 members in Ms. Adesemoye's immediate group, of whom three were Taiwanese and
8 one was American (of Caucasian race). Ms. Adesemoye was tasked in Taiwan with
9 solving issues that arose with the fab (of which there were many).
10
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12 101. While at training, Ms. Adesemoye heard a number of discriminatory
13 comments made regarding Americans, including that TSMC will not do well in
14 America because Americans are lazy. Ms. Adesemoye sought to disprove this
15 stereotype, and worked hard while in Taiwan, oftentimes staying at the office until 9:00
16 p.m., and, in line with the company's directive, took very few breaks, and did not take
17 any time off or travel back to the U.S. during her training. While TSMC guaranteed
18 Ms. Adesemoye an additional \$5,000 to \$6,000 for every six months she remained
19 continuously in Taiwan for training, TSMC never paid her any of this money. Ms.
20 Adesemoye was also asked by TSMC to train one of her Taiwanese colleagues, an
21 engineer who had been working for the company for years but lacked Ms.
22 Adesemoye's engineering skill-set. Ms. Adesemoye took pride in her work ethic, and
23 was always the first to complete her trainings and the work assigned to her.
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28 102. While in Taiwan, Ms. Adesemoye was excluded by her Taiwanese

1 colleagues, who did not invite her to social events. As a result, Ms. Adesemoye mostly
2 kept to herself and focused on working hard for the company. On the rare occasions
3 that Ms. Adesemoye spoke up or shared her opinion, it was met with hostility by
4 TSMC's Taiwanese management: "Why are you talking a lot? Why do you have an
5 opinion about things? Just do your job."

6
7
8 103. In March or April 2022, after Ms. Adesemoye had been with TSMC
9 Arizona for about a year, she received her first performance review. The performance
10 review was completed by a Director, SK Tien, who is Taiwanese. To Ms. Adesemoye's
11 surprise (and dismay), Mr. Tien ranked her the lowest among the integration
12 department, which was comprised of approximately 20 individuals (both Taiwanese
13 employees and local hires from the U.S.), the vast majority of whom were recent
14 college graduates. Of the U.S. hires, Ms. Adesemoye was the only African American,
15 and the only employee with engineering experience. The other members of the team
16 was East Asian, with the exception of one Caucasian individual. When Ms. Adesemoye
17 met with Mr. Tien to discuss her low performance review score, which impacted her
18 bonus, Mr. Tien offered no justification for the score, stating vaguely that Ms.
19 Adesemoye's presentation slides could be improved (a criticism Ms. Adesemoye had
20 never before received). The next day, Ms. Adesemoye approached Mr. Tien with a list
21 of her accomplishments over the past year to better understand why she was ranked
22 lowest of her group, despite the fact that no group member had completed even half of
23 her achievements, and the fact that Ms. Adesemoye had been tasked with training
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1 another engineer given her skill set. Mr. Tien still had no explanation for Ms.
2 Adesemoye's unjustifiably low performance review score. He then referred her to
3 another Director, Charles Chu, who is Taiwanese. Mr. Chu tried to gaslight Ms.
4 Adesemoye, asking how she knew that she was ranked the lowest, but still refused to
5 change her score.
6

7
8 104. Ms. Adesemoye was so impacted by her low performance review score
9 after having worked so hard for TSMC, that she informed the company that she planned
10 to resign, and provided notice of her impending resignation. However, TSMC informed
11 Ms. Adesemoye that she was required to immediately return to the U.S that same day,
12 and forced her to move out of the TSMC dormitory where she had been staying for the
13 past year. Ms. Adesemoye was not given sufficient time to pack, and was forced to
14 leave behind half of her belongings, and to pay for her own return flight home. She
15 was so traumatized by the hostile work environment at TSMC that she took medical
16 leave from her new employer after returning to the U.S. to focus on her mental health.
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20 *Mr. Popisteanu's Experience*

21 105. Marc Popisteanu is an IT Infrastructure Manager who specializes in
22 storage virtualization, VMware infrastructure, and incident management. He holds an
23 MBA and a Bachelor of Science degree in Business/Information Systems, along with
24 several relevant certifications (CSM Certified Scrum Master, PSM Professional Scrum
25 Master, and an ITIL Foundation Certificate in IT Service Management). Mr.
26 Popisteanu has extensive experience in service management, project management,
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1 process improvement, and cost optimization, and is skilled in leveraging new and
2 emerging technologies to transform IT infrastructure and align with strategic business
3 initiatives.
4

5 106. Mr. Popisteanu worked for TSMC Arizona for approximately 1.5 years,
6 from March 2022 to July 2023, as an IT Infrastructure Manager. He was hired by Jason
7 Liu, a Taiwanese Director, to build the company's infrastructure, which included
8 building and running the Arizona fab from an IT perspective with local talent so as to
9 enable TSMC Arizona to establish a local presence in the U.S.
10

11 107. Mr. Popisteanu's initial experience with TSMC Arizona was positive.
12 When he joined the company, a transition team was brought over from Taiwan, and he
13 hired the equivalent of that team in the United States. Mr. Popisteanu's U.S. team was
14 to learn from the Taiwanese transition team who would then return to Taiwan following
15 the knowledge transfer. While Mr. Popisteanu's U.S. team was comprised mostly of
16 employees of Indian national origin as that was the nationality of the majority of
17 candidates who applied for the open roles, he was forced by his offshore counterpart
18 H.F. Wang (who is Taiwanese) to hire an employee of East Asian descent simply
19 because that individual spoke Mandarin.
20

21 108. In or around November 2022, there was a significant shift within the
22 company, and TSMC Arizona abandoned its localization efforts. TSMC replaced its
23 then-CEO with C.C. Wei (who is Chinese), and Mr. Liu was transferred back to
24 Taiwan. A new IT Director, Peter Cheng, who is from Taiwan, began working in the
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1 U.S., and under his management, the IT Department at TSMC Arizona assumed the
2 militant operations of its headquarters in Taiwan. While American employees were not
3 fired, so that TSMC Arizona could maintain its façade of being a local, U.S. company,
4 Mr. Cheng began removing responsibility from U.S. workers, meetings shifted from
5 being conducted in English to being conducted in Mandarin, and employee feedback
6 in the U.S. was met with hostility by leadership.
7

8
9 109. Following the shift, Mr. Popisteanu would attend hour-long meetings that
10 were conducted in Mandarin, to his exclusion, only to receive a task in English at the
11 end of the meeting with no additional follow-up. He was given no opportunity to
12 contribute or participate in the meetings, and was expected just to sit there quietly. On
13 one occasion, Mr. Popisteanu was yelled at and belittled by Mr. Cheng in a meeting
14 with one of TSMC Arizona's vendors, when the vendor Mr. Popisteanu had hired failed
15 to follow a certain 6S methodology (a workplace organization and management
16 methodology) when it operated in the building. Mr. Cheng made a sarcastic comment
17 to the effect of "dumb Americans, they can't even follow 6S."
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20
21 110. The transition team, which was designed to perform a knowledge transfer
22 to Mr. Popisteanu's U.S. hires before returning to Taiwan, remained in the United
23 States, and all operations and responsibilities shifted to that team. The knowledge
24 transfer to Mr. Popisteanu's U.S. team came to a halt, and assignees from Taiwan were
25 tasked with finishing the IT implementation. Remote control tools were also put in
26 place so that the Taiwanese team could maintain control of IT operations when
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1 returning to their home country.

2 111. Mr. Popisteanu also witnessed during his tenure with TSMC Arizona the
3 company's preference for East Asian, Taiwanese, and Chinese workers. Mr.
4 Popisteanu observed other departments within IT that affirmatively sought out and
5 hired Taiwanese or Chinese nationals who spoke Mandarin. TSMC job descriptions
6 oftentimes listed a preference or requirement that the individual be a native Mandarin
7 speaker, despite the fact that the company conducted—or held itself out to conduct—
8 business in English.
9

10 112. Mr. Popisteanu was constructively discharged by TSMC Arizona in July
11 2023. Mr. Popisteanu was forced to resign as TSMC had a clear preference for
12 Taiwanese and Chinese workers, resulting in Mr. Popisteanu's role being diminished,
13 responsibilities removed from his U.S. team, and being excluded from meetings and
14 the overall decision-making process.
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18 *Ms. Carrier's Experience*
19

20 113. Nicole Carrier has worked professionally as a volunteer firefighter,
21 corrections officer, and emergency medical technician, and holds a Bachelor's Degree
22 in Criminal Justice and Corrections. Ms. Carrier is skilled in incident management,
23 SAP Environment, health, and safety management, and emergency response.
24

25 114. Ms. Carrier worked for TSMC Arizona from February 2022 to May 2024
26 as an Emergency Response Coordinator. In this role, Ms. Carrier was responsible for
27 supervising security for the grounds, monitoring systems, and handling employee
28

1 medical issues. Once hired, Ms. Carrier was told that she would receive further training
2 on chemistry and chemicals, and was asked whether she would be willing to travel to
3 Taiwan for eight months of training. Ms. Carrier agreed, as the role sounded like a
4 promising opportunity, and she was excited to be part of TSMC Arizona's growth in
5 the United States.
6

7
8 115. When Ms. Carrier arrived in Taiwan, however, her optimism was quickly
9 quashed. All of the company trainings were conducted in Mandarin, and the materials
10 she was provided were written in Chinese, despite the fact that Ms. Carrier did not
11 speak the language, forcing her to use Google Translate to learn TSMC's policies and
12 procedures, and about chemicals and gasses. The living conditions in Taiwan were
13 unsafe, with black mold covering the walls. While Ms. Carrier and other U.S. hires
14 were placed in small, cramped dormitories in Taiwan, TSMC's Taiwanese hires were
15 given beautiful homes and cars once they traveled to the U.S. for work.
16
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18 116. Shortly before moving to Taiwan, Ms. Carrier had her gallbladder
19 removed, and suffered a number of medical complications in Taiwan. On a number of
20 occasions, Ms. Carrier would need to use the bathroom immediately after eating, and
21 when unable to locate a bathroom and discard her protective gear in time, she had
22 accidents. Ms. Carrier was humiliated by her health complications, but her manager,
23 Joy Jones (who is Chinese) showed Ms. Carrier no compassion, and was rude, abrasive,
24 and condescending. On one occasion, when Ms. Carrier had an accident and asked Ms.
25 Jones to call her a cab so that she could return to her dormitory to shower and change,
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1 Ms. Jones begrudgingly acquiesced, but then made a strange, offhanded comment that
2 she thought Ms. Jones was going through menopause.

3
4 117. Ms. Carrier returned to Arizona in September 2022 where she worked as
5 part of TSMC Arizona's Emergency Response Center. TSMC staffed only two
6 employees per shift at this center, which was insufficient, resulting in two non-
7 Taiwanese employees being forced to resign due to the harsh working conditions.

8
9 118. Ms. Carrier's manager, Ms. Jones, reported to Rong-tai Wu in the U.S.
10 who is Taiwanese. Mr. Ru constantly berated and yelled at the American workers,
11 calling them "stupid Americans" and throwing things when he became incensed. While
12 Ms. Carrier reported this hostile treatment to Human Resources, no steps were taken
13 to correct this behavior
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15
16 119. When Ms. Carrier sought medical care in the United States to address her
17 ongoing health issues, her manager, Ms. Joy would belittle and degrade her, making
18 comments like "Oh another doctor's appointment." On one occasion, when Ms. Carrier
19 had an accident while performing a safety audit of the construction site and was unable
20 to make it to a toilet, her manager asked why she couldn't just go back to her car, clean
21 up, and return to work (rather than heading home to shower and change). When Ms.
22 Carrier pushed back on this instruction, Ms. Jones responded that she should "just quit"
23 if she can't do the work.
24

25
26 120. Ms. Jones also routinely micromanaged Ms. Carrier's work and
27 humiliated her in front of coworkers, calling her a "stupid American." During Ms.
28

Carrier's one-on-one meetings with Ms. Joy and Ms. Carrier's immediate supervisor Darrell Johnson, Ms. Joy would constantly criticize and belittle Ms. Carrier. Presentations created by Ms. Carrier or the team were met with criticism. On one occasion, Ms. Carrier and her partner were working on a writeup after an electrical cable running through the construction site disconnected from the grounding prong and was dangerously exposed. While Ms. Carrier had two hours to prepare the report, Ms. Jones demanded it immediately, wrongly accused Ms. Carrier of wasting time (when she was, in fact, in the process of preparing the report), and then gave her just fifteen minutes to complete it, loudly counting down in the open office environment each minute remaining: "You now have 14 minutes, now 13 minutes, now 12..." Ms. Jones' conduct was designed to humiliate and embarrass Ms. Carrier in front of her coworkers. This hostile conduct led Ms. Carrier to question her own abilities and self-worth as she was constantly berated and put down by Ms. Joy, and never received any praise or accolades despite her hard work and accomplishments.

121. Ms. Carrier complained of Ms. Jones' harassment to HR, citing the hostile work environment at TSMC, lack of leadership and mentoring, and overall disrespect by the Taiwanese and Chinese staff. To Ms. Carrier's knowledge, no actions were taken to improve the work environment at TSMC Arizona.

122. When Ms. Carrier was no longer able to manage the ongoing stress and anxiety caused by the hostile work environment at TSMC Arizona, she went out on medical leave in late February or early March 2023. When Ms. Carrier sought to return

1 to work, she asked TSMC Arizona for an accommodation limiting her shifts to 8-10
2 hours (she was working four, 12 hour shifts previously) and allowing her full
3 accessibility to a restroom. While TSMC acknowledged Ms. Carrier's need for an
4 accommodation, it refused to provide her with one so that she could return to work,
5 nor did it offer any alternate work for Ms. Carrier while she managed her medical
6 condition. Ms. Carrier attempted to work with HR for a number of months, locating
7 open positions with TSMC that she could fill, but was told that the company could not
8 provide her with an accommodation for those roles. HR then went silent on Ms. Carrier,
9 and refused to respond to her outreach. Ms. Carrier ultimately resigned from TSMC
10 Arizona, having been constructively discharged by the company.
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14 *Mr. Winn's Experience*
15

16 123. Mr. Winn is a Recruiting Coordinator who is skilled at building
17 relationships, customer and candidate interactions, managing projects, and multi-
18 tasking. He graduated from San Jose State University in May 2020 with a Bachelor of
19 Science in Business Administration Management. Prior to joining TSMC, Mr. Winn
20 served as a recruiting coordinator at NVIDIA.
21

22 124. Mr. Winn worked as a Recruiting Coordinator for TSMC North America
23 and TSMC Technology from August 2022 to January 2024. He learned of the
24 Recruiting Coordinator position through an online job posting, and applied directly to
25 TSMC for the role. Mr. Winn was interviewed by a recruiter, who was an employee of
26 TSMC, and Teressa Harnois, then the Head of HR for TSMC. These individuals made
27
28

1 the ultimate hiring decision for the role, and selected Mr. Winn for employment. While
2 Mr. Winn was contracted by AppleOne Employment Services (“AppleOne”) for the
3 position, which provides staff to both TSMC North America and TSMC Technology,
4 he was, in fact, a contractual employee of TSMC. While Mr. Winn received payment
5 through AppleOne Employment Services, TSMC maintained complete control and
6 supervision over Mr. Winn’s day-to-day work and decided if and when to extend Mr.
7 Winn’s employment contracts (this responsibility first belonged to Ms. Harnois, but
8 was later transferred to Judy Chiu, who replaced Ms. Harnois). And AppleOne only
9 hired Mr. Winn after he had been selected for the Recruiting Coordinator role by
10 TSMC. When the TSMC role ended with Mr. Winn’s constructive discharge, so did
11 Mr. Winn’s position with AppleOne.
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16 125. Mr. Winn had a hybrid work schedule with TSMC, working three days
17 per week at TSMC North America and TSMC Technology’s office in San Jose,
18 California, and two days per week remotely from his home. He reported to Deb
19 Howington, Deputy Director, Talent Acquisition for TSMC, who oversaw Mr. Winn’s
20 work. Mr. Winn had little to no contact with AppleOne during his time at TSMC, as
21 TSMC assigned and oversaw his day-to-day tasks, and only interacted with AppleOne
22 when submitting his time cards and reporting sick time. TSMC provided Mr. Winn’s
23 work laptop, IT support, and training, and he had access to the TSMC portals and
24 systems necessary to complete his work.
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28 126. As a Recruiting Coordinator, Mr. Winn was primarily responsible for

1 scheduling interviews for job requisitions across TSMC North America and TSMC
2 Technology, helped launch a preboarding program with another recruiter, assisted with
3 university recruiting tasks, and maintained and organized various recruiting and
4 Human Resources documents. With respect to interview scheduling, Mr. Winn would
5 be provided with resumes that had advanced through the initial screening process by
6 TSMC's recruiters. The vast majority of candidates for whom he was tasked with
7 scheduling interviews, and who were ultimately hired by TSMC Arizona or TSMC
8 Technology, were East Asian and spoke Mandarin. Similarly, all of the student interns
9 hired by TSMC who worked in the office with Mr. Winn were East Asian.

13 127. When Mr. Winn first joined TSMC, he participated in a meeting with the
14 recruitment team, which included TSMC recruiters and Teressa Harnois (HR Head).
15 During that meeting, the topic of discrimination in favor of Taiwanese candidates was
16 raised. Specifically, an individual on the hiring team complained that one of TSMC's
17 hiring managers was discriminating against Indian candidates and anyone who didn't
18 speak Mandarin.²² Qualified candidates who did not meet TSMC's preferred race or
19 national origin criteria were being rejected by this hiring manager while less qualified
20 Taiwanese candidates were being moved forward in the hiring process. While Ms.
21 Harnois stated that she would address the issue at a later time, given the time constraints

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26 ²² Mr. Winn is also aware of a hiring manager who requested to only interview candidates from certain
27 universities where the Taiwanese student population was large (e.g., USC where Chinese students
28 make up the school's largest international school population and UC Berkeley where Chinese students made up around 18% of the new undergraduate class in 2022).

1 of the meeting, Mr. Winn is not aware of what steps were taken (if any) to address the
2 issue, and Ms. Harnois was ultimately replaced by Judy Chiu (a Chinese/Taiwanese
3 employee) towards the end of 2023. Ms. Chiu was aggressive, and constantly yelled at
4 and demeaned a White employee, Kathryn Agarpao, who was a Human Resources
5 Program Manager.
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8 128. It is Mr. Winn's understanding that he was just one of two contractor
9 employees at TSMC. However, despite his strong performance, TSMC never
10 converted Mr. Winn to a full-time TSMC employee (despite his multiple requests).
11

12 129. After working for TSMC for approximately fifteen months, Mr. Winn
13 applied for an Organizational Development Specialist role with TSMC North America,
14 a role which would have reported to Annie Hu, a member of the HR leadership team
15 who is Chinese. During an HR leadership meeting, Ms. Hu had proposed Mr. Winn to
16 Ms. Harnois for the role, with 70% of his workload being dedicated to the
17 Organizational Development specialist role and 30% of his workload dedicated to
18 recruiting until he fully transitioned into the Organizational Development Specialist
19 role. Mr. Winn was a good fit for the role, as it would have required him to implement,
20 lead, and support future HR projects (a task he was already assisting with). But after
21 the job posting was made public and Mr. Winn formally applied to the role, Judy Chiu
22 became involved in the hiring process, and Ms. Hu began considering additional
23 candidates beyond Mr. Winn (despite having previously found him to be a fit for the
24 role and encouraging him to apply). Ms. Hu interviewed ten candidates, 90% of whom
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1 were East Asian, and ended up selecting two Taiwanese candidates as finalists for the
2 role, one of whom was ultimately hired for the position.

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4 130. Mr. Winn then applied for a Business Operations role for TSMC North
5 America that was located in San Jose. The job posting for the role stated that the ability
6 to speak Mandarin was preferred, but not required for the position. Ms. Howington
7 encouraged Mr. Winn to apply for the role, and spoke with the Director of the group,
8 Robin Wang, who is East Asian, to put in a good word for Mr. Winn. However, during
9 that conversation, Mr. Wang expressed discomfort in hiring Mr. Winn, who is not
10 Chinese or Taiwanese, but reluctantly agreed to speak with him to see if he was a “fit.”
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13 131. Mr. Winn was then scheduled to interview with the hiring team. However,
14 in advance of his interview date, the hiring manager dropped by his cubicle
15 unannounced with another team member (both of whom were East Asian females) and
16 asked to conduct the interview immediately. Mr. Winn acquiesced and interviewed for
17 the role without being afforded time to prepare. During the interview, Mr. Winn
18 performed well, and was advanced to the next round in the interview process.
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21 132. Mr. Winn then participated in the second interview a week later, which
22 was designed to assess his skills in Excel. The interview was attended by the same two
23 managers as his first interview, along with two new interviewers. After a brief
24 conversation regarding Mr. Winn’s background and interests, he was assigned a simple
25 task in Excel, which took him one minute to successfully complete. Mr. Winn was then
26 asked whether he spoke other languages, knew Chinese, or had any issues not speaking
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1 Mandarin in recruiting. Mr. Winn responded that he did not speak Mandarin, and that
2 it had never posed an issue when working for TSMC. Mr. Winn was then asked what
3 he would do if he had someone on the phone who spoke only Mandarin (the ability to
4 speak Mandarin was not a requirement for the Business Operations role). Mr. Winn
5 responded that he would be willing to learn Mandarin, but that in the interim, he would
6 ask a coworker who spoke the language to assist with the call.
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9 133. Mr. Winn was ultimately rejected by TSMC North America for the
10 Business Operations role. A few weeks later, Mr. Winn was at lunch with his
11 teammates, which included Wendy Sun, a Taiwanese recruiter who had been with
12 TSMC North America for six years. During that lunch, he asked his colleagues why he
13 was not selected for the Business Operations role, and the group's consensus was that
14 it was because he was not a woman and did not speak Mandarin, and that everyone on
15 the team was female and spoke the language. It is Mr. Winn's understanding that the
16 Business Operations team in San Jose had a history of interviewing and hiring only
17 East Asian females who spoke Mandarin for their team.
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21 134. Mr. Winn left TSMC on January 26, 2024, as he knew the company's
22 discriminatory culture would not change, and that there would be no future growth for
23 him with the company, given that TSMC had rejected his candidacy on two occasions.
24 Mr. Winn was constructively discharged due to TSMC's discriminatory conduct.
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27 *Mr. McKinley's Experience*

28 135. Edward McKinley is a Process Engineer who is skilled in process

1 engineering, manufacturing operations, sales leadership, and building client
2 relationships across diverse industries. He holds a Bachelor's Degree in
3 Communication and Media Studies from California Baptist University. Over the past
4 decade, Mr. McKinley has served as a Process Engineer, Manufacturing Technician,
5 and Sales Representative, and has worked in Customer Support. Prior to joining
6 TSMC, Mr. McKinley worked as a Manufacturing Technician for Entegris for almost
7 four years.

10 136. Mr. McKinley joined TSMC Arizona on December 7, 2021, moving from
11 Los Angeles, California to Arizona for work. While he was hired as a Manufacturing
12 Operator, he was also tasked with campus recruiting and sat on a board that was
13 responsible for selecting cafeteria food for TSMC Arizona. Mr. McKinley reported to
14 Dieuanh Phan, who is Taiwanese.

17 137. TSMC hired Mr. McKinley because he is African American, and the
18 company needed an employee to showcase its purported commitment to "diversity."
19 TSMC forced Mr. McKinley to be profiled on social media and in internal newsletters,
20 and had him participate in campus recruiting efforts, even though he did not have a
21 background in talent acquisition. When Mr. McKinley assisted in campus recruiting,
22 he would receive resumes ranked in order of priority, and Taiwanese and Chinese
23 students were almost always given the number one ranking. TSMC overwhelming
24 hired students of Taiwanese and Chinese descent.

27 138. While TSMC used Mr. McKinley as an example of its "diversity," Mr.

1 McKinley was consistently treated poorly and subjected to a hostile work environment
2 by his Taiwanese colleagues. Mr. McKinley was constantly yelled at, criticized, and
3 excluded by his team. (Mr. McKinley was the only Black employee on his team of
4 seven and was the only one who was treated with hostility). On one occasion, when
5 Mr. McKinley returned from lunch, he noticed that one of his colleagues had left her
6 computer open with a message from a group chat clearly visible, stating: “Ed McKinley
7 is a spy for HR. Don’t trust him.” While Mr. McKinley reported the hostile work
8 environment to his manager on multiple occasions between December 2021 and the
9 end of March 2022 (when he left for training in Taiwan), no changes were made to
10 improve Mr. McKinley’s treatment and working conditions.
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14 139. In April 2022, Mr. McKinley traveled to Taiwan for engineering training,
15 and was part of the initial TSMC Arizona group sent to Taiwan. While he was there,
16 the Taiwanese trainers picked on him and bullied him, and his work was criticized
17 without justification. Mr. McKinley again reported the harassment, this time to Scott
18 Hollman, CHRO, who was located in the United States. Mr. McKinley explained to
19 Mr. Hollman that TSMC was targeting Black employees, including Mr. McKinley, and
20 treating non-Taiwanese employees unfairly.
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24 140. After Mr. McKinley complained of the discrimination and hostile work
25 environment at TSMC, his treatment worsened. Mr. McKinley’s Taiwanese colleagues
26 constantly yelled at him, trying to get a rise out of him and start physical fights. But
27 Mr. McKinley remained calm and refused to engage. On one occasion, Mr. McKinley’s
28

1 Taiwanese colleague cornered him in the bathroom at a karaoke night, got in his face,
2 and yelled “You want to hit me, don’t you?” Mr. McKinley responded “No,” and
3 simply walked away. In November 2022, Mr. McKinley was specifically told by one
4 of his Taiwanese colleagues “nobody likes you.”

5
6 141. Mr. McKinley again raised his concerns with Mr. Hollman in October
7 2022. During that meeting, Mr. Hollman, who is Caucasian, became very upset, as
8 other non-Taiwanese employees had reported the same discriminatory conduct. Mr.
9 Hollman shared with Mr. McKinley that the Taiwanese employees at TSMC were
10 targeting those of other nationalities and trying to get them to quit, and that Mr.
11 McKinley was not alone in his experience.

12
13 142. The hostile work environment and resulting stress became so unbearable
14 that Mr. McKinley began having panic attacks and was unable to sleep or focus at
15 work. Mr. McKinley ultimately sought medical treatment, and was referred by TSMC
16 to one of the company’s therapists, who is Taiwanese and was paid directly by TSMC.
17 The therapist spoke mostly in Mandarin, and prescribed Mr. McKinley a medication
18 he had never taken before that made Mr. McKinley feel out-of-body, without
19 inhibitions, and made impulse control difficult. While Mr. McKinley still has the
20 prescription, it is in Chinese, and he was never warned of the side effects from his
21 TSMC doctor.

22
23 143. TSMC terminated Mr. McKinley in November 2022 while he was still in
24 Taiwan for training.

Ms. Prieto's Experience

144. Wendy Prieto is an engineer who holds a Bachelor of Science Degree in Robotics (Engineering) from Arizona State University. She is currently pursuing a Master of Science Degree in Manufacturing Engineering, and will complete her coursework in August 2025. Ms. Prieto joined TSMC shortly after graduating college in May 2022 and currently works as a Mechanical Engineer for Intel.

145. Ms. Prieto joined TSMC Arizona as an IT Engineer in August 2022. At the time of her hire, TSMC Arizona's IT Department—the department in which Ms. Prieto worked—was diverse, and employed engineers from a number of different backgrounds. Ms. Prieto first reported to Seven Hsieh, who is Taiwanese.

146. Ms. Prieto's initial experience at TSMC was positive. Her manager, Ms. Hsieh, treated her well and worked to create a career path for Ms. Prieto which would allow her to be successful at the company. The IT Department was divided into three sections—2999, which was responsible for customer support, and comprised of mostly technicians, 3999, the fab support system, which was comprised mostly of engineers, and 5999, which was the business application of IT. Ms. Prieto began her career with TSMC training in 2999, but then transitioned to 3999, which matched her skillset and engineering background. Ms. Hsieh informed Ms. Prieto that she wanted her to be the tool owner of that group in two years, and encouraged her to learn as much as she could to advance within the company.

147. However, about six months into Ms. Prieto's employment with TSMC

1 Arizona, there was a change in leadership, which was accompanied by a dramatic shift
2 in her treatment, and the treatment of other non-Taiwanese applicants and employees.
3
4 Ms. Hsieh was sent back to Taiwan and was replaced by Lauren Deng (who is
5 Taiwanese). TSMC also transferred Jasper Chien, a Taiwanese manager, to TSMC
6 Arizona.

7
8 148. Following the change in leadership, new hires to TSMC were all
9 Taiwanese, or East Asians who spoke Mandarin, and trainings began being conducted
10 in Mandarin. The non-Taiwanese members of the IT Department in which Ms. Prieto
11 worked either quit due to the company's harsh treatment, or were moved to other areas
12 within the company.
13

14 149. While Ms. Prieto wanted to continue to grow within the company, her
15 efforts were stymied. Ms. Deng was not supportive of Ms. Prieto's efforts to advance
16 within TSMC and to take on more responsibility. Ms. Deng made it clear that because
17 Ms. Prieto did not speak Mandarin, she would not succeed. When Ms. Prieto asked to
18 be sent to Taiwan for training like the Taiwanese workers who were recently hired in
19 the U.S., so that she could learn the language and continue to develop professionally,
20 Ms. Prieto was denied this training, and was told that the Taiwanese workers would
21 train her when they returned from Taiwan. But that approach made little sense, given
22 that Ms. Prieto had been with the company for over a year, and was well versed in
23 TSMC's systems, whereas the new TSMC hires sent to Taiwan had little to no
24 knowledge of TSMC's systems. While Ms. Deng ultimately suggested that Ms. Prieto
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1 try to learn Mandarin using the Duolingo app, she was specifically instructed that any
2 such study of Mandarin was to be conducted during Ms. Prieto's personal time, and
3 outside of work hours. When Mr. Prieto asked if she could dedicate just one hour of
4 her twelve-hour shifts to learning Mandarin, her request was denied.

6 150. Ms. Prieto was given some training manuals while at TSMC, but all were
7 written in Chinese. She was instructed by her manager to use Google to translate the
8 materials into English, but TSMC had security restrictions in place which prohibited
9 her from doing this. Ms. Prieto was thus at a training disadvantage as compared to her
10 Taiwanese colleagues (particularly those that were sent to Taiwan for training).

13 151. Following the change in management, Ms. Prieto's work transitioned
14 from IT engineering tasks (for which she was originally hired), to lower-level
15 technician work, despite Ms. Prieto having asked to take on greater responsibility and
16 despite her degree in engineering. At the same time that Ms. Prieto was being forced
17 to perform lower-level technician work, TSMC continued to hire Taiwanese engineers
18 who spoke Mandarin, and assigned them the technical work that Ms. Prieto had
19 repeatedly asked for (and was well qualified to perform, as she had before for TSMC).
20 Slowly, Ms. Prieto's work and job responsibilities were stripped away, and she was
21 ignored by her colleagues and management because she did not speak Mandarin.

25 152. Ms. Deng ultimately transferred to another role within TSMC, and Ms.
26 Prieto began reporting to Mr. Chien. Mr. Chien treated Mr. Prieto with hostility as she
27 was not Taiwanese, and ignored her, choosing to speak only with team members who
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1 knew Mandarin (despite the fact that Mr. Chien was fluent in English). At her
2 performance review, Mr. Chien rated Ms. Prieto poorly (despite Ms. Prieto being a
3 strong performer), claiming that she didn't have enough practice. But all of the cases
4 and procedures at TSMC that would have allowed Ms. Prieto to have more practice
5 were in Chinese/Mandarin, foreclosing Ms. Prieto from access. Ms. Prieto's Taiwanese
6 colleagues also treated her with disdain, and wouldn't even respond when she would
7 say "good morning."

10 153. When it was clear to Ms. Prieto that Mr. Chien's treatment of her would
11 not improve, she attempted to transfer to the Automated Material Handling System
12 ("AMHS") department at TSMC. Ms. Prieto interviewed for an engineering role in that
13 department, performed well, and was told that she would be a great fit for the team.
14 Mr. Chien informed Ms. Prieto, however, that if she was ultimately offered the role,
15 she would be put on probation for one month (as he did not think she could perform
16 the role). While Mr. Chien agreed to release Ms. Prieto, he did so only on the condition
17 that another non-Taiwanese member of the group transfer with her to AMHS, whom
18 Ms. Prieto would be forced to compete against for the engineering role (Ms. Prieto's
19 colleague had not expressed any interest in the role or in a transfer). It was clear that
20 Mr. Chien was eliminating non-Taiwanese employees from his team. Ms. Prieto waited
21 for a month to learn whether she would receive the engineering role with AMHS, but
22 when TSMC still had not made its decision after a month, she resigned from TSMC on
23 or around February 12, 2024. Ms. Prieto was constructively discharged by the

1 company.

2 *Mr. Zepeda's Experience*

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4 154. Luis Zepeda is an experienced IT professional. Prior to joining TSMC,
5 Mr. Zepeda worked as a repair agent in the IT department at Best Buy, as an IT
6 technician at Glendale Community College, and as a data center operations lead at
7 Banner Health. He has also completed coursework at Arizona State University, with a
8 focus in Computer Technology.
9

10 155. Mr. Zepeda joined TSMC Arizona's IT department in July 2022 in an IT
11 Tech role. (At the time of his departure, his role was titled "IT User Success," but Mr.
12 Zepeda was never given a formal promotion or elevated to a "lead" role.) He was the
13 third hire in the IT department and tasked with building the department from the ground
14 up, which included creating standard operating procedures ("SOPs") and training
15 materials for the department. After about a year, Taiwan HQ became more involved
16 and separated the IT department into three tiers, the highest of which was the Fab
17 Applications team, which provided IT support for fabs, and was comprised of
18 approximately eight people, including Mr. Zepeda. At that time, only two of the eight
19 team members spoke Mandarin, and the majority of the team members were not
20 Taiwanese or Chinese. A few weeks after the division of the IT department, Mr.
21 Zepeda's team was pulled into a meeting at which they were told by Lauren Dang
22 (Deputy Director of IT) that "things are changing soon," that new managers would be
23 coming over from Taiwan to provide training, and that anyone not fluent in Mandarin
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1 did not “have a future on the team or the department.” It was stated thereafter in job
2 postings for the IT department that Mandarin was a requirement for roles, and from
3 there on out, the only new hires were Mandarin speakers of Taiwanese or Chinese
4 national origin, most of whom were on visas. By the end of Mr. Zepeda’s time at TSMC
5 only two members of his eight-person team were not fluent in Mandarin and not of
6 Taiwanese or Chinese national origin (including Mr. Zepeda), and the other left TSMC
7 on the same day as Mr. Zepeda.
8

9
10 156. After the meeting with Ms. Dang, Mr. Zepeda complained to Brian Mullin
11 (HR Business Partner), and Mr. Mullin held a meeting with the non-Mandarin speakers
12 in the IT department. In that meeting, the employees voiced concerns about Ms. Dang’s
13 comments, about the new assignees having been given an opportunity to meet one-on-
14 one with the Director of IT (Peter Cheng)—an opportunity non-assignees had not been
15 given, and about a new policy whereby IT workers would be required to rotate their
16 work scheduled (i.e., work 2-3 months of day shifts, followed by 2-3 months of night
17 shifts, and so on).²³ Following the meeting, the non-assignee IT workers were granted
18 the opportunity to speak with Mr. Cheng, but Mr. Zepeda’s meeting with Mr. Cheng
19 only reinforced Mr. Zepeda’s suspicion that Mr. Cheng (and TSMC) did not care about
20 U.S. workers. The meeting lasted at most ten minutes—while the Taiwanese and
21 Chinese assignees were able to meet with him for an hour—and Mr. Cheng arrived
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28 ²³ This policy was ultimately only enacted as to the Fab Applications team—Mr. Zepeda’s team.

1 twenty minutes late, did not bother to learn Mr. Zepeda's position in advance of the
2 meeting, then proceeded to explain Mr. Zepeda's job to him before answering a phone
3 call and walking out. Mr. Zepeda felt that the meetings were given as a check-the-box
4 activity, so that TSMC could say that the non-assignees were given the opportunity to
5 meet with management in response to their complaints.
6

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8 157. Mr. Zepeda also noticed that many of the new TSMC hires did not have a
9 college degree or experience related to the requirements stated in the job postings for
10 their positions. Where they did have IT work experience (and many had none), it was
11 frequently in an unrelated industry. Even though Mr. Zepeda and those on his original
12 team had more relevant experience (having been at TSMC for over a year) and
13 understood the systems, the new hires were soon given lead roles, managing Mr.
14 Zepeda and others. In practice, Mr. Zepeda still ran things, as the new hires were still
15 learning the ropes and many had never worked an IT job, but his communications with
16 management were filtered through the new hires, which took place largely in
17 Mandarin. For instance, Mr. Cheng, who is from Taiwan, avoided speaking to anyone
18 who was not Taiwanese or Chinese, and many operations were conducted in Mandarin.
19 In at least one instance, there was a meeting that Mr. Zepeda was told not to worry
20 about attending because it would be conducted in Mandarin.
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25 158. In addition, the Chinese and Taiwanese hires were given accommodations
26 that Mr. Zepeda and other non-Chinese and non-Taiwanese employees were denied.
27 For instance, those subject to the shift rotation policy found it difficult to switch back
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1 and forth between day and night shifts, and a Taiwanese worker who complained was
2 allowed to change his schedule so that his work schedule was consistent. In contrast,
3 when Mr. Zepeda and another coworker (who was also of non-Taiwanese/ Chinese
4 national origin) requested an arrangement whereby Mr. Zepeda would always take
5 days and the co-worker (a natural night owl) would take nights, the request was denied.
6 As a result of the shift change requirement, Mr. Zepeda was forced to drop out of
7 Arizona State University, where he was pursuing a degree. In addition, the general rule
8 in the IT department was that remote work was not allowed, and this rule was enforced
9 for non-Taiwanese and non-Chinese workers. In contrast, a Taiwanese co-worker was
10 allowed to work from home for three months to care for a sick family member, and a
11 Chinese co-worker whose visa expired was allowed to work remotely from China.

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16 159. After the management change at TSMC, the responsibilities of the non-
17 Taiwanese and non-Chinese workers on Mr. Zepeda's team were also substantially
18 curtailed, as most operations were conducted in Mandarin. Mr. Zepeda and those on
19 his team who did not speak Mandarin then focused heavily on translating SOPs from
20 Chinese to English using Google Translate. Often the translation did not make sense,
21 so Mr. Zepeda spent time fixing the translated SOPs to make them usable. Mr. Zepeda
22 was called into Ms. Dang's office and told that he was spending too much time on the
23 translations. Mr. Zepeda explained the issues with using Google Translate and
24 explained that he was trying to make the SOPs usable for non-Mandarin speakers. Mr.
25 Zepeda was reprimanded for doing this, which he understood to mean that TSMC did
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1 not care about devoting resources to tasks that would enable non-Mandarin speakers
2 (who were by and large not Taiwanese or Chinese) to be successful and feel welcome
3 at TSMC. The message was received—by the end of his time at TSMC, all five of Mr.
4 Zepeda’s original team who were not fluent in Mandarin and not of Taiwanese or
5 Chinese national origin left the company. Prior to the management change, Mr. Zepeda
6 had been told by his manager, Seven Hsieh, that he was being considered for a
7 promotion to Engineer. After the management change, however, it was clear that the
8 prospect of promotion had disappeared.

11
12 160. Mr. Zepeda resigned from TSMC in March 2024 due to the hostile work
13 environment described above. He knew the company’s discriminatory culture would
14 not change, and that there would be no future growth for him with the company, given
15 Ms. Dang’s statement that there was no possibility for upward movement for non-
16 Mandarin speakers. Mr. Zepeda was constructively discharged due to TSMC’s
17 discriminatory conduct.

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20 *Mr. Sterbinsky’s Experience*

21 161. Phillip\ Sterbinsky is a U.S. Navy veteran. He was an Electronic
22 Technician and then an Instructional Supervisor in the Navy with substantial
23 responsibilities for leading teams and coordinating training and instruction materials.
24 He has a degree in from Grand Canyon University.

25
26 162. Mr. Sterbinsky joined TSMC Arizona in June 2022 as a Wet Tech
27 Advanced Technician with responsibilities that included cleaning fab machines. He
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1 was later promoted to Senior Technician. Once he was hired, Mr. Sterbinsky started
2 his training online, and was then sent to Taiwan for 300 days to complete his training.
3 Mr. Sterbinsky's experience training in Taiwan was terrible. He was frequently yelled
4 at by his managers and called stupid and lazy, and he heard Taiwanese employees say
5 that "black people are lazy and smell." His experience was not unique—when he
6 arrived in Taiwan, there were four U.S. workers in his section, but all quit soon after
7 as a result of TSMC's hostile and discriminatory treatment.
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10 163. In the U.S., Mr. Sterbinsky continued to experience hostility that made it
11 difficult for him to perform his job effectively. For instance, when components of Mr.
12 Sterbinsky's job required coordinating with other TSMC departments, his requests to
13 coordinate were met with silence, while his Taiwanese and Chinese counterparts
14 received immediate responses. In one instance, he asked the company to send a
15 technician to help with a leak, and was told that there was nobody to send. Mr.
16 Sterbinsky then asked a Taiwanese counterpart to make the exact same request, and
17 someone was immediately sent to help. In another instance, Mr. Sterbinsky was refused
18 a broom that he needed to clean up debris, and was told to buy one on his own and
19 submit for reimbursement. Often, when Mr. Sterbinsky asked his Chinese or
20 Taiwanese colleagues how to do something, he was told "I don't know," but then he
21 would later see those colleagues performing the activities for which they had
22 disclaimed knowledge. Additionally, TSMC frequently sent Teams messages that
23 employees were required to respond to in a certain amount of time, but they were often
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1 in Chinese such that Mr. Sterbinsky had to scramble to contact another department for
2 a translation within the deadline. It was clear to Mr. Sterbinsky that this culture of
3 hostility and exclusion came from the top down—the head of his department spoke
4 only in Mandarin, despite being fluent in English.

6 164. Mr. Sterbinsky also observed a complete disregard for safety at TSMC.
7 Non-Mandarin speakers (who were largely not Chinese or Taiwanese) were most at
8 risk, because instructions were communicated in Mandarin and were frequently not
9 relayed to non-Mandarin speakers. As a result of the lax safety standards, accidents
10 (including fatal accidents) were frequent. Mr. Sterbinsky submitted two Occupational
11 and Safety Health Administration (“OSHA”) complaints and an internal complaint to
12 TSMC’s Legal Department, but his complaints were ignored.

16 165. Mr. Sterbinsky understood that East Asian directors and managers had
17 bonus-related KPIs based on maintaining a certain number of U.S. employees in their
18 departments (a requirement that Mr. Sterbinsky understood to be related to the CHIPS
19 Act). It was clear to Mr. Sterbinsky that those KPIs were just for show, given the openly
20 hostile treatment of non-East Asians and culture, and in any event, were entirely
21 ineffective. When Mr. Sterbinsky left TSMC, he was the only non-Chinese and non-
22 Taiwanese hire left on his team.

25 166. Mr. Sterbinsky left TSMC in September 2024 due to the hostile and
26 discriminatory work environment described above. He knew the company’s
27 discriminatory culture would not change, and that there would be no future growth for
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1 him with the company. He was constructively discharged due to TSMC's
2 discriminatory conduct.

3
4 *Mr. Langley's Experience*

5 167. Samuel Langley is a Certified Industrial Hygienist and Certified Safety
6 Professional. He is a Professional member of the American Conference of
7 Governmental Industrial Hygienists and the American Industrial Hygiene Association.
8 He has a Bachelor of Science degree in Environment Health Science ("EHS") with an
9 emphasis in Industrial Hygiene from Eastern Kentucky University and a Master of
10 Science in Occupational Safety and Health from Southeastern Oklahoma State
11 University. Mr. Langley has over fifteen years of work experience, including as an
12 EHS Manager for Georgia Pacific LLC (a pulp, paper, and container manufacturer), an
13 EHS Engineer for 3M Corporation (a producer of epoxy resins and equipment), and a
14 Senior Health and Safety Engineer for Samsung Austin Semiconductor (a
15 manufacturer of semiconductor wafers).
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19 168. Mr. Langley joined TSMC Arizona in June 2022 as a Senior EHS
20 Engineer, relocating from Austin, Texas to Phoenix, Arizona for the position. Mr.
21 Langley was the only process safety engineer supporting the operations and the only
22 industrial hygienist onsite, and his responsibilities included safety inspections,
23 overseeing audits, electrical safety, and overseeing fall protection. When he joined
24 TSMC, the EHS group was largely U.S. hires, including Mr. Langley, an EHS
25 Manager, two EHS engineers, and some first responders. Mr. Langley and one other
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1 EHS engineer were initially the only two employees working in the U.S., and
2 coordinated with the other members of the group who were training in Taiwan. (Mr.
3 Langley was originally supposed to train in Taiwan as well but his visa issuance was
4 delayed.) Things initially ran smoothly as Mr. Langley and his team put together
5 training materials.
6

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8 169. In or around September 2022, leaders from Taiwan began arriving in
9 Phoenix and in the months thereafter, hundreds of Chinese and Taiwanese workers
10 began arriving to staff all departments at TSMC Arizona. In or around October 2022,
11 assignees from Taiwan and China began showing up to staff EHS positions. Mr.
12 Langley would become aware of these new hires when they appeared in meetings,
13 unannounced. Thereafter, a cultural divide became apparent—there would be a team
14 meeting in the morning conducted in English, and a separate meeting afterward,
15 conducted entirely in Mandarin, and it was not clear whether the same information was
16 being passed along to both groups. By the time Mr. Langley left, TSMC those in charge
17 of his department were all assignees from China or Taiwan and there were around 18
18 people on his team (in addition to about a dozen first responders), at least 30% of whom
19 were assignees from China or Taiwan.
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24 170. The employees brought into Mr. Langley's group were junior, and many
25 had little to no work experience. Those who had work prior experience had never
26 worked in the United States, and a substantial component of EHS work required an
27 understanding of United States regulations. Even EHS experience at a fab in another
28

1 country was of limited use—while the fab-specific component of the position was
2 fairly learnable, U.S. regulations were more complex.

3
4 171. The change in staffing at TSMC Arizona was accompanied by a complete
5 disregard for OSHA standards. Mr. Langley was asked to sign waivers to allow
6 workers to work at heights of 20-30 feet without fall protection—a request he refused.
7
8 There were numerous injuries and safety violations. Despite being the most
9 experienced person in the department, with the highest education and credentials, Mr.
10 Langley’s responsibilities were curtailed and handed to assignees with no experience
11 with U.S. regulations and no business having those responsibilities. Mr. Langley heard
12 assignees say that “Americans were useless,” were considered “dumb Americans” and
13 “don’t know what they’re talking about.” Many of Mr. Langley’s responsibilities were
14 handed over to an inexperienced Taiwanese assignee on a short-term visa who had
15 planned to return to Taiwan. To convince him to stay, TSMC brought this employee’s
16 girlfriend to the U.S. on a visa and gave her the position of EHS Construction Safety
17 Engineer even though she too had minimal experience.
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21 172. Mr. Langley also observed that Chinese and Taiwanese employees were
22 preferred and given special treatment in promotion and appraisal decisions. For
23 example, Mr. Langley got a 2.38% raise despite his level of experience and expertise,
24 and is aware of inexperienced assignees receiving 8 and 9% raises. He also observed
25 assignees being promoted at higher rates than local, U.S. workers despite their
26 inexperience, and learned of a U.S. (non-Taiwanese/Chinese) engineer who inquired
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1 about a promotion and was told that he would have to wait until the following year
2 because promotions had already been given to assignees from China and Taiwan.

3
4 173. Mr. Langley left TSMC in February 2024 due to the hostile and
5 discriminatory work environment described above. He knew the company's
6 discriminatory culture would not change, and it was becoming increasingly clear that
7 the discriminatory culture was inhibiting from doing his job effectively. He was
8 constructively discharged due to TSMC's discriminatory conduct.
9

10 **CLASS ACTION ALLEGATIONS**

11
12 174. Plaintiffs bring this Class Action pursuant to Federal Rule of Civil
13 Procedure 23(a), (b)(2), (b)(3), and (c)(4), seeking injunctive, declaratory, equitable,
14 and monetary relief for TSMC's systematic pattern and practice of discrimination
15 against individuals not of East Asian race and not of Taiwanese or Chinese national
16 origin/citizenship in the United States and TSMC's hostile work environment
17 impacting these same groups. This action is brought on behalf of the following classes:
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20 All non-East Asian, non-Taiwanese, and non-Chinese individuals
21 who: (1) applied for positions with or within TSMC North America,
22 TSMC Technology, TSMC Arizona and/or TSMC Washington in
23 the United States and were not hired, (2) were employed by one or
24 more of these entities (including contractors), but were not
25 promoted, and/or (3) were employed by one or more of these entities
(including contractors) and were involuntarily terminated or
constructively discharged.

26 All individuals who are not Taiwanese or Chinese citizens who : (1)
27 applied for positions with or within TSMC North America, TSMC
28 Technology, TSMC Arizona and/or TSMC Washington in the
United States and were not hired, (2) were employed by one or more

1 of these entities (including contractors), but were not promoted,
2 and/or (3) were employed by one or more of these entities (including
3 contractors) and were involuntarily terminated or constructively
discharged.

4 175. Members of the classes are so numerous and geographically dispersed
5 across the United States that joinder is impracticable. While the exact number of class
6 members is unknown to Plaintiffs, it is believed to number in the thousands.
7 Furthermore, class members are readily identifiable from information and records in
8 TSMC possession.
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11 176. There are numerous questions of law and fact common to members of the
12 classes. Among the common questions of law or fact are: (a) whether TSMC has
13 engaged in a pattern or practice of intentional discrimination against non-East Asians,
14 non-Taiwanese nationals, and non-Chinese nationals in its hiring, staffing, appraisal,
15 promotion, and termination decisions; (b) whether TSMC has intentionally favored
16 East Asians, Taiwanese nationals, and Chinese nationals (including those on visas) in
17 hiring, staffing, appraisal, promotion, and retention decisions and/or whether TSMC
18 has intentionally disfavored non-East Asians, non-Taiwanese nationals, and non-
19 Chinese nationals in hiring, staffing, appraisal, promotion, and termination decisions;
20 (c) whether TSMC's employment practices have resulted in a disparate impact on those
21 who are not of East Asian race and not of Taiwanese or Chinese national origin; (d)
22 whether TSMC has created a hostile work environment for non-East Asians and non-
23 Taiwanese and non-Chinese nationals; (e) whether TSMC has violated § 1981;
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1 (f) whether TSMC has violated Title VII; (g) whether equitable and injunctive relief is
2 warranted for the classes; and (h) whether compensatory and/or punitive damages are
3 warranted for the classes.
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5 177. Plaintiffs' claims are typical of the classes. Members of the classes were
6 damaged by the same discriminatory policies and practices employed by TSMC in
7 favor of East Asians and Taiwanese and Chinese citizens.
8

9 178. Plaintiffs will fairly and adequately protect the interest of other class
10 members because they have no interest that is antagonistic to or which conflicts with
11 those of any other class member, and Plaintiffs are committed to the vigorous
12 prosecution of this action and has retained competent counsel experienced in class
13 litigation to represent Plaintiffs and the classes.
14
15

16 179. Plaintiffs and the classes they seek to represent have suffered substantial
17 losses in earnings and other employment benefits and compensation as a result of
18 TSMC's actions.
19

20 180. Class certification is appropriate pursuant to Federal Rule of Civil
21 Procedure 23(b)(2) because TSMC has acted and/or refused to act on grounds generally
22 applicable to the classes, making declaratory and injunctive relief appropriate with
23 respect to Plaintiffs and the classes as a whole. Members of the classes are entitled to
24 declaratory and injunctive relief to end TSMC's systematic, common, uniform, unfair,
25 and discriminatory policies and practices, and resulting hostile work environment.
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28 181. Class certification is appropriate pursuant to Federal Rule of Civil

1 Procedure 23(b)(3) for determination of the damages claims of individual class
2 members because the issue of liability is common to the class and the common nucleus
3 of operative facts forms the central issue, which predominates over individual issues
4 of proof. The primary questions common to the class are whether TSMC has
5 discriminated on the basis of race, national origin, and citizenship in its employment
6 practices and whether TSMC has created a hostile work environment. These questions
7 are central to the case and predominate over individual issues among the members of
8 the proposed classes. TSMC has engaged in a common course of discriminatory and
9 hostile conduct in a manner that has harmed all of the class members. Class
10 certification under Rule 23(b)(3) would be superior to other methods for fair and
11 efficient resolution of the issues because certification will avoid the need for repeated
12 litigation by each individual class member. The instant case will be eminently
13 manageable as a class action. Plaintiffs know of no difficulty to be encountered in the
14 maintenance of this action that would preclude its maintenance as a class action.
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20 182. Class certification is appropriate pursuant to Federal Rule of Civil
21 Procedure 23(c)(4) to litigate Plaintiffs' claims for prospective classwide compliance
22 and affirmative injunctive relief necessary to eliminate TSMC's discrimination and
23 hostile work environment. Certification under this rule is also appropriate to decide
24 whether TSMC has adopted a systemic pattern and practice of racial, national origin,
25 and citizenship discrimination in hiring, staffing, appraisal, promotion, and
26 retention/termination decisions and whether TSMC's conduct creates a hostile work
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1 environment. Certification under this rule is also appropriate to determine classwide
2 damages, including punitive damages.

3
4 **COUNT I**
5 **(Disparate Treatment on the Basis of Race)**
6 **(Violation of the Civil Rights Act of 1866, as amended, 42 U.S.C. § 1981)**
7 **(On behalf of all Plaintiffs and the Class)**

8 183. Plaintiffs re-allege each preceding paragraph as though fully set forth
9 herein.

10 184. This claim is brought by Plaintiffs on behalf of themselves and the class.

11 185. Throughout the class liability period, TSMC has engaged in a pattern and
12 practice of discriminating against individuals who are not of East Asian race by: (a)
13 knowingly and intentionally favoring individuals of East Asian race in employment
14 decisions (i.e., hiring/staffing, appraisal, promotion, and termination decisions), (b)
15 knowingly and intentionally disfavoring individuals who are not of East Asian race
16 (including Plaintiffs) in employment decisions (i.e., hiring/staffing, appraisal,
17 promotion, and termination decisions), and (c) knowingly and intentionally creating
18 and maintaining an overwhelmingly disproportionate workforce in the United States
19 consisting of approximately 90% or more East Asian employees.

20 186. As a direct and proximate result of TSMC's intentional discrimination,
21 Plaintiffs and class members have been denied employment and continued
22 employment with TSMC.

23 187. TSMC's actions constitute unlawful discrimination on the basis of race in
24 violation of 42 U.S.C. § 1981.
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COUNT II
(Disparate Treatment on the Basis of Citizenship)
(Violation of the Civil Rights Act of 1866, as amended, 42 U.S.C. § 1981)
(On behalf of all Plaintiffs and the Class)

188. Plaintiffs re-allege each preceding paragraph as though fully set forth herein.

189. This claim is brought by Plaintiffs on behalf of themselves and the class.

190. Throughout the class liability period, TSMC has engaged in a pattern and practice of discriminating against individuals who are not Taiwanese citizens or Chinese citizens by: (a) knowingly and intentionally favoring Taiwanese and Chinese citizens in employment decisions (i.e., hiring/staffing, appraisal, promotion, and termination decisions), and (b) knowingly and intentionally disfavoring individuals who are not Taiwanese and not Chinese citizens (including Plaintiffs) in employment decisions (i.e., hiring/staffing, appraisal, promotion, and termination decisions).

191. As a direct and proximate result of TSMC's intentional discrimination, Plaintiffs and class members have been denied employment and continued employment with TSMC.

192. TSMC's actions constitute unlawful discrimination on the basis of citizenship in violation of 42 U.S.C. § 1981.

COUNT III
(Hostile Work Environment on the Basis of Race)
(Violation of the Civil Rights Act of 1866, as amended, 42 U.S.C. § 1981)
(On behalf of Plaintiffs and the Class)

193. Plaintiffs re-allege each preceding paragraph as though fully set forth herein.

1 194. This claim is brought by Plaintiffs on behalf of themselves and the class.

2 195. Throughout the class liability period, TSMC has created a hostile work
3 environment for individuals who are not East Asian by: (a) constantly yelling at non-
4 East Asian workers and referring to them as “stupid” or “lazy;” (b) excluding them
5 from meetings or business-related conversations (which are often conducted in
6 Mandarin); (c) denying them trainings, as training materials are in written in Chinese;
7 (d) withholding from them critical information needed to perform their jobs, thereby
8 thwarting non-East Asian employees’ ability to advance within TSMC; (e)
9 downplaying or discrediting their strong performances; (f) reviewing them more
10 harshly, resulting in lower appraisal scores, and fewer promotions or opportunities for
11 advancement; (g) talking to them in a condescending manner; (h) discrediting their
12 opinions; (i) publicly humiliating them in front of coworkers; and (j) micromanaging
13 them and stripping them of job responsibilities. As a result of TSMC’s hostile work
14 environment, many non-East Asian employees are forced to take protected FMLA
15 leave due to the incredible stress and anxiety caused by TSMC’s conduct, and are
16 oftentimes constructively discharged by the company.

17 196. An objectively reasonable person would find that, as a whole, the
18 environment within TSMC was hostile. And TSMC leadership was on notice of this
19 hostile work environment, having received multiple employee complaints, but took no
20 remedial action.

21 197. TSMC’s hostile work environment constitutes a violation of 42 U.S.C. §
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1 1981.

2 **COUNT IV**

3 **(Disparate Treatment on the Basis of Race and National Origin)**
4 **(Violation of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-2)**
5 **(On behalf of Plaintiff Howington and the Class)**

6 198. Plaintiff Howington re-alleges each preceding paragraph as though fully
7 set forth herein.

8 199. This claim is brought by Plaintiff Howington on behalf of herself and the
9 class.
10

11 200. Throughout the class liability period, TSMC has engaged in a pattern and
12 practice of discriminating against individuals who are not of East Asian race or
13 Taiwanese/Chinese national origin by: (a) knowingly and intentionally favoring East
14 Asian and Taiwanese and Chinese individuals in employment decisions (i.e.,
15 hiring/staffing, appraisal, promotion, and termination decisions), and (b) knowingly
16 and intentionally disfavoring individuals who are not East Asian or Taiwanese or
17 Chinese (including Plaintiff Howington) in employment decisions (i.e., hiring/staffing,
18 appraisal, promotion, and termination decisions), and (c) knowingly and intentionally
19 creating and maintaining an overwhelmingly disproportionate workforce in the United
20 States consisting of approximately 90% or more East Asian employees (of Taiwanese
21 or Chinese descent).
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23 201. As a direct and proximate result of TSMC's intentional discrimination,
24 Plaintiff Howington and class members have been denied employment and continued
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1 employment with TSMC.

2 202. TSMC's actions constitute unlawful discrimination on the basis of race
3 and national origin in violation of 42 U.S.C. § 2000e, *et seq.*
4

5 **COUNT V**
6 **(Disparate Impact on the Basis of Race and National Origin)**
7 **(Violation of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-2)**
8 **(On behalf of Plaintiff Howington and the Class)**

9 203. Plaintiff Howington re-alleges each preceding paragraph as though fully
10 set forth herein.

11 204. This claim is brought by Plaintiff Howington on behalf of herself and the
12 class.

13 205. Throughout the class liability period, TSMC has engaged in policies and
14 practices relating to hiring, staffing, appraisals, and termination/retention decisions
15 described herein that have resulted in a disparate impact on non-East Asians and non-
16 Taiwanese/Chinese individuals who, as a result, are disproportionately not hired, not
17 selected for positions, appraised poorly (and therefore not promoted), and/or
18 terminated or constructively discharged. These practices are neither job-related for the
19 positions at issue nor consistent with business necessity.
20

21 206. TSMC's actions constitute unlawful discrimination in violation of 42
22 U.S.C. § 2000e, *et seq.*
23

24 **COUNT VI**
25 **(Hostile Work Environment on the Basis of Race and National Origin)**
26 **(Violation of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-2))**
27 **(On behalf of Plaintiff Howington and the Class)**

28 207. Plaintiff Howington re-alleges each preceding paragraph as though fully

1 set forth herein.

2 208. This claim is brought by Plaintiff Howington on behalf of herself and the
3 class.
4

5 209. Throughout the class liability period, TSMC has created a hostile work
6 environment for individuals not of East Asian race or Taiwanese/Chinese national
7 origin by: (a) constantly yelling at non-East Asian and non-Taiwanese/Chinese
8 workers and referring to them as “stupid” or “lazy;” (b) excluding them from meetings
9 or business-related conversations (which are often conducted in Mandarin); (c)
10 denying them trainings, as training materials are in written in Chinese; (d) withholding
11 from them critical information needed to perform their jobs, thereby thwarting non-
12 East Asian and non-Taiwanese/Chinese employees’ ability to advance within TSMC;
13 (e) downplaying or discrediting their strong performances; (f) reviewing them more
14 harshly, resulting in lower appraisal scores, and fewer promotions or opportunities for
15 advancement; (g) talking to them in a condescending manner; (h) discrediting their
16 opinions; (i) publicly humiliating them in front of coworkers; and (j) micromanaging
17 them and stripping them of job responsibilities. As a result of TSMC’s hostile work
18 environment, many non-East Asian and non-Taiwanese/Chinese employees are forced
19 to take protected FMLA leave due to the incredible stress and anxiety caused by
20 TSMC’s conduct, and are oftentimes constructively discharged by the company.
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26 210. An objectively reasonable person would find that, as a whole, the
27 environment within TSMC was hostile. And TSMC leadership was on notice of this
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1 hostile work environment, having received multiple employee complaints, but took no
2 remedial action.

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4 211. TSMC's hostile work environment constitutes a violation of 42 U.S.C. §
5 2000e, *et seq.*

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7 **COUNT VII**
8 **(Retaliation in Violation of the Civil Rights Act of 1866, as amended, 42 U.S.C. § 1981)**
9 **(On behalf of Plaintiffs Howington, Perry, and McKinley)**

10 212. Plaintiffs Howington, Perry, and McKinley re-allege each preceding
11 paragraph as though fully set forth herein.

12 213. This claim is brought by Plaintiffs Howington, Perry, and McKinley on
13 behalf of themselves.

14 214. Plaintiffs Howington, Perry, and McKinley engaged in a protected
15 activity under Section 1981 by reporting to TSMC concerns about the corporation's
16 discriminatory practices and hostile work environment, including its preference for
17 East Asians and Taiwanese/Chinese citizens in hiring and other employment decisions.

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19 215. Plaintiffs Howington, Perry, and McKinley suffered harm as a result of
20 engaging in this protected activity. Ms. Howington, for example, was given a negative
21 performance review, threatened to be placed on a PIP, subjected to a hostile work
22 environment, and had her responsibilities curtailed, requiring her to take a leave of
23 absence. Mr. Perry was the victim of an anonymous, unsubstantiated complaint by
24 TSMC to his subsequent employer, Oracle, which put his employment at risk, and
25 when Mr. McKinley complained of discriminatory and unfair treatment, TSMC's
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1 conduct only worsened and Mr. McKinley was ultimately fired by TSMC.

2 216. A causal link exists between the harm Plaintiffs Howington, Perry, and
3
4 McKinley suffered and the protected activity. TSMC retaliated against Ms.
5 Howington, Mr. Perry, and Mr. McKinley because they engaged in protected activity
6 under Section 1981. Ms. Howington, for example, was given a negative performance
7 review, threatened to be placed on a PIP, and subjected to hostile treatment shortly
8 after complaining about TSMC's discriminatory employment practices, including the
9 company's discriminatory preference for East Asian and Taiwanese citizens and its
10 practice of conducting meetings in Mandarin. Mr. Perry was retaliated against by
11 having a complaint lodged against him by TSMC with his subsequent employer, which
12 put his employment at risk, and Mr. McKinley experienced increasingly hostile
13 treatment shortly after he complained, resulting in his termination. But for TSMC's
14 retaliation, Plaintiffs Howington, Perry, and McKinley would not have been treated in
15 such a hostile manner and subjected to changes in the terms and conditions of their
16 employment.

17 217. TSMC's actions constitute unlawful retaliation in violation of 42 U.S.C.
18 § 1981.
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24 **COUNT VIII**
25 **(Retaliation in Violation of the Civil Rights Act of 1964, as amended, 42 U.S.C. §**
26 **2000e-2)**
27 **(On behalf of Plaintiff Howington)**
28

218. Plaintiff Howington re-alleges each preceding paragraph as though fully
set forth herein.

1 219. This claim is brought by Plaintiff on behalf of herself.

2 220. Ms. Howington engaged in a protected activity under Title VII by
3
4 reporting to TSMC concerns about the corporation's discriminatory practices and
5 hostile work environment, including its preference for East Asians and
6 Taiwanese/Chinese citizens in hiring and other employment decisions.

7
8 221. Ms. Howington suffered harm as a result of engaging in this protected
9 activity. She was given a negative performance review, threatened to be placed on a
10 PIP, subjected to a hostile work environment, and had her responsibilities curtailed,
11 requiring her to take a leave of absence.

12
13 222. A causal link exists between the harm Ms. Howington suffered and the
14 protected activity. TSMC retaliated against Ms. Howington because she engaged in
15 protected activity under Title VII. Ms. Howington was given a negative performance
16 review, threatened to be placed on a PIP, and subjected to hostile treatment shortly
17 after complaining about TSMC's discriminatory employment practices, including the
18 company's discriminatory preference for East Asian and Taiwanese citizens and its
19 practice of conducting meetings in Mandarin. But for TSMC's retaliation, Ms.
20 Howington would not have been treated in such a hostile manner and subjected to
21 changes in the terms and conditions of her employment.

22
23 223. TSMC's actions constitute unlawful retaliation in violation of 42 U.S.C.
24 § 2000e, *et seq.*

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs and the classes pray for relief as follows:

- a. Certification of the case as a class action pursuant to Federal Rule of Civil Procedure 23;
- b. Designation of Plaintiffs as representatives of the classes;
- c. Designation of Plaintiffs' counsel as counsel for the classes;
- d. A declaratory judgment that the practices complained of herein are unlawful and violate the Civil Rights Act of 1866, 42 U.S.C. § 1981 and the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-2;
- e. A permanent injunction against Defendants and its officers, agents, successors, employees, representatives, and any and all persons acting in concert with them, from engaging in unlawful policies, practices, customs, and usages set forth herein;
- f. Order Defendants to adopt a valid, non-discriminatory method for hiring, staffing, performance appraisals, termination, and other employment decisions;
- g. Order Defendants to post notices concerning its duty to refrain from discriminating against employees on the basis of race, national origin, and citizenship;
- h. Award Plaintiffs and the Classes compensatory damages for the harm they suffered as a result of Defendants' violations § 1981 and Title VII;
- i. Award Plaintiffs and the Classes pre- and post-judgment interest at the prevailing rate on the compensatory damages as a result of Defendants' discriminating against them in violation of § 1981 and Title VII;
- j. Award Plaintiffs and the Classes front- and back-pay, and such other equitable relief as the Court deems just and appropriate;
- k. Award Plaintiffs and the Classes exemplary and punitive damages;
- l. Award reasonable attorneys' fees, expert witness fees, expenses, and costs of this action and of prior administrative actions; and
- m. Award Plaintiffs and the Classes such other relief as this Court deems just and appropriate.

JURY DEMAND

Pursuant to Federal Rule of Civil Procedure 38, Plaintiffs and the Classes respectfully demand a trial by jury on all issues properly triable by a jury in this action.

DATED: November 8, 2024

Respectfully submitted,

By: /s/Daniel Low

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